

EQUALITY

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WHAT IS EGALITARIANISM?

The object of this book is to challenge one of the central prejudices of modern British politics, the belief that it is a proper function of the State to influence the distribution of wealth for its own sake.

Those who hold this belief would, no doubt, be surprised to learn how ancient it is, and even more surprised to learn that it has been traditionally used to justify redistribution not in favour of the poor but in favour of the rich and powerful. Robert Walpole, for example, one of the first English ministers to concern himself with questions of fiscal policy, regarded it as self-evident that the main burden of taxation should fall upon the poor. It encouraged them to work and discouraged them from amassing savings which would be spent only on vulgar fripperies. In some societies, such as 18th-century France, taxation has been systematically employed to protect the fortunes of the rich. Egalitarianism is the modern form of Walpolery, directed at different people, different fripperies. It is the belief that the State not only has a duty to supervise the distribution of wealth but should in doing so lean in favour of equality. How hard it should lean is a question on which egalitarians legitimately differ. But they are all agreed about the direction in which it should lean. This book is about those things which egalitarians have in common. It is not about the manner or speed at which it is imposed. It is not about the incidental effects or the practicality or impracticality of administrative details. It is about the principle itself.

The principle is so deeply embedded in the language and unspoken assumptions of political thinking that, until quite recently, the open assertion that a high degree of inequality was acceptable, even desirable, would have placed its author outside the pale of shared intellectual premises within which alone civilised debate is possible. 'A report is spread', says Voltaire in one of his works, 'that there is in some country or other a giant as big as a mountain; and many immediately fall to venomous argument concerning the precise length of his nose, the breadth of his thumb and other particulars, and anathematise each other for heresy concerning them. But if in the midst of it all some bold sceptic ventures to hint at doubt as to the existence of this giant, all are ready to join against him and tear him to pieces.' Shared assumptions are intrinsically unsafe. Being shared they are not challenged, not tested and quite commonly not right. They may be founded on emotions generated by facts which have long since ceased either to be relevant or true. They may never have had any basis of fact at all.

The ethical case for equality is a case in point. There are countless analyses in print of the effects of inequality, of the amount of it, and of the nature and causes of it. But given the almost universal acceptance of some degree of equality in the distribution of resources as a desirable political goal, it is surprising how few are those who have sought to justify it in principle. The outstanding works in the field are due to R. H. Tawney and, more recently, John Rawls. But the former has been lost in the ocean of instinctive approval, while the latter was characterised by elaborate abstract reasoning which has not encouraged discussion outside the circle of academic philosophers. On the other side of the argument F. A. Hayek is a formidable but solitary figure.

Too Obvious for Discussion?

It is tempting to suggest that egalitarians do not justify their views because they cannot. But this would be unfair to the honest and intelligent individuals who hold these views. Their egalitarianism is not a conclusion deduced logically from a premise. It is itself a premise. It is perceived instinctively. It is a moral judgement of a kind which is not susceptible of careful, logical criticism because it is based (as all political premises are ultimately based) on an emotional preference. Most of them would express this idea by saying that equality is so obviously just as to require no justification. It so obviously corresponds, they would suggest, to the way in which men would order their affairs if their aspirations were not thwarted by the fallibility of human institutions. Now that the aspirations are reflected in votes at general elections, and the institutions exist to give effect to them, how can it be wrong to embody them in law? What possible basis can there be for opposition apart from obscurantism allied with the self-interested desire of the minority to defend their gains?

Such emphatic statements of moral conviction do not carry matters very far. They beg the question whether it is possible to assert that something is intrinsically just, i.e. without reference to its results in practice; and whether, if it is indeed just, that is good enough reason to remodel society accordingly? But at this stage it is enough to say that the questions which matter are 'What is justice?' and 'Why?'; what is intuitively felt to be justice is no answer to either question. We hear them saying that there can be no argument about fundamental moral principles; or that there is no better evidence of the justice of a proposal than that it appeals to the innate sense of justice of many reflective and

sensitive people. But this is no more than an assertion that some people can have a revelation of truth which dispenses them from all further argument. It is an assertion quite inconsistent with the fundamental principle of a political society that what constitutes justice is open to discussion. If one says to another 'Inequality is morally just for the following eighteen reasons', it is no answer for that other to reply 'I reject your assertion because I sense it to be wrong': he must refute the eighteen reasons or reject the premise from which they proceed. We must start, therefore, with one fundamental proposition, which is that nothing is self-evident, however obvious it may seem to others. If men intuitively sense that equality is just that is not an independent reason for agreeing with them. It is not an argument, but an assertion which begs the question whether they are right.

The Egalitarian Tradition

Because even its most reflective advocates feel their egalitarianism instinctively this is a difficult doctrine to subject to reasoned analysis. By some it is alleged not to be a doctrine at all, but a direct revelation of truth. Even those who submit themselves to the forum of argument are inclined to accuse their opponents of setting up theories to which no one subscribes for the sole purpose of demolishing them with panache, but their unanimous silence as to what their true reasoning is, makes it difficult to adopt any other course. The only method of discerning what egalitarianism is, is to look at its past, at the circumstances which have brought it into being and conferred upon it the emotional appeal which it undoubtedly has.

As a political doctrine egalitarianism has a short history, a fact which itself casts doubt upon suggestions that it is a

natural and obvious answer to the problems of social organisation. Its origin is often—but wrongly—traced to the morality of the New Testament and the tradition of the Christian Church. Christianity has indeed achieved from time to time the creation of communities (such as monasteries) in which the sense of common brotherhood has made it possible to do away with private property. But it has done so only in contexts where material wealth itself was held in no esteem. The problem presented by modern egalitarianism is quite different. It is how to achieve the same mood of brotherhood in a society which, on the contrary, reveres and covets material wealth, and which would not be egalitarian otherwise. Christian tradition does not offer a solution to this problem. Although it has lent to modern egalitarianism some of its emotional intensity and much of its rhetoric, it is absurd to suggest that it supports the proposition that societies should be so organised as to make all men equal. The proposition which it does support is that distinctions, status and wealth have no meaning in the eyes of God. Saint Paul's sentiment is in this respect not unlike that elegantly expressed in Pascal's *Pensées*: 'How wise it is to distinguish men by their outward rather than by their inward qualities.' One may accept that the possession of wealth is morally corrupting. One may also accept that all men have the same moral capacities. But to deduce from these propositions that their economic and political status should exactly reflect their moral status is very much more than anything required or even suggested by the Christian religion.

Nevertheless it is a deduction which a variety of Christian utopians have made, from apocalyptic revolutionaries of the Middle Ages to the Diggers of the 17th century. 'Things never shall go well in England until all things are in common

and all of us are of one condition,' the priest John Ball is said to have told the army of the Peasants' Revolt of 1381. 'It is an unconscionable thing,' declared a 17th-century successor in surprisingly modern tones, 'that one should have £10,000, and another more useful and deserving to the Commonwealth and not worth two pence.' Such pronouncements are Christian in the sense that they were made by Christians. But those who made them were also well aware of the violence which would be necessary to give them practicable effect. They belong to a peculiar tradition of revolutionary Christian millenarianism which occasionally manifested itself in violent local revolutions. Few spokesmen for this tradition were concerned to rationalise their beliefs about the ideal society, let alone to give them administrative or political effect. They were concerned less with the nature of that society than with the manner in which it was to be brought into existence. None of their manifestos would have any enduring significance were it not for two features which characterised almost all of them. First, they believed in the direct revelation of truth, which made justification of their programme unnecessary and indeed impertinent. Secondly, they believed in the total and violent destruction of existing social institutions as a necessary overture to the beginning of the perfect society. The revolution was more than a means to an end. It was itself part of the end, an essential purifying process without which the perfection of the millennium would be corrupted by the traces of what had gone before. Neither of these beliefs is calculated to encourage reasoned discussion of the ideal society, and apart from the routine assertion that equality, if not community of goods, would follow the millennium, none of these prophets bothered to advance a theoretical justification of egalitarianism.

It is worth insisting on this curious reticence, for it belongs to a tradition which is not extinct, but has become a prominent feature of Marxism, much the most significant element of modern dogmatic egalitarianism. Like the millenarians Karl Marx believed in the total destruction of the old order not in its improvement. Like them he regarded it as essential that the ideal society should not merely come into existence, but should do so by the agency of revolution. And like them he laid claim to direct revelation, asserting that reasoned arguments were no more than the product of existing social institutions, to be confounded not by debate but by changing the institutions. It can be inferred from the works of Marx that in the ideal society, which the revolution would create, individuals would be equal, but this is certainly not spelt out in Marx's major works. They are far more interested in the equality of classes, as such, than in that of the individuals who compose them. To find a clear commitment to individual equality we have to turn to one of his last works, *The Critique of the Gotha Programme*, a study written in 1875 of the draft programme of the German Workers' Party. Here Marx envisaged two stages of post-revolutionary development. In the first of them, immediately following the proletarian revolution, the inequalities associated with private property would disappear, but there would still be inequalities associated with differences of skill and ability. Earnings would remain unequal. At this early stage in the development of a Communist society, it would still be 'stamped with the birth marks of the old society from which it had emerged'. The guiding principle would be 'to each according to his labour'. Only when the proletariat had taken complete control of all the means of production, and its members had had time to emancipate themselves from the cultural chains of bourgeois

property, only then would it be 'from each according to his ability to each according to his needs'.

Not Marx but Rousseau

Marxism is important not because it has been influential but because it is the only internally coherent egalitarian philosophy. It would, however, be a mistake to suppose that because of this it must be the one to which all egalitarians tacitly assent; or to imagine, because a rigorously logical approach to equality requires total levelling, the destruction of individual freedom and erection of a totalitarian State, that these are consummations devoutly wished by all those who have a less logical approach to equality. The strength of egalitarianism in England lies in its appeal to many who are not Marxists and to some who are not even socialists. To understand the basis of their egalitarianism, one should study not Marx but the 18th-century philosopher Jean Jacques Rousseau. It is not that egalitarians are consciously inspired by Rousseau; few of them are likely to have read him. It is that Rousseau's gentle, muddled, romantic and humane egalitarianism is closer to their views than that of any other abstract theorist. Although it is no part of our purpose to survey the history of egalitarian thought, some account of Rousseau's beliefs will probably throw more light on the instinctive egalitarianism of the ordinary, decent-minded Englishman than the impenetrable works of Karl Marx or any number of tracts issuing from Transport House.

These beliefs are to be found not so much in the *Social Contract* but in Rousseau's *Discourse on the Origin of Inequality* and in various gratuitous lectures which Rousseau addressed at one time or another to the people of Corsica and Poland. Four observations on Rousseau's egalitarianism seem particu-

larly apposite in modern conditions. The first is that, unlike Marx, Rousseau was interested primarily in the moral condition of the individual. He believed in equality because he thought inequality morally corrupting. Inequality bred egotism, vanity and ambition. It made men competitive and aggressive in the pursuit of material desires which were ultimately incapable of being satisfied. It induced in them feelings of hostility to each other, which were unproductive, unnecessary and not in man's uncorrupted nature. Further, inequality created bonds of dependence which eroded a man's moral and intellectual autonomy by forcing him to sell himself to the rich. The less he had, the more difficult it was for him to acquire the minimum which he needed to make him independent. To this extent, the rich were rich at the expense of the poor, for 'it is the superfluity of the rich which enabled them to despoil the poor of their necessities'. Nobody, in Rousseau's view, should be so rich that he could buy another man, nor so poor that he was obliged to sell his independence.

Secondly, Rousseau saw no particular virtue in equality for its own sake. But he believed fervently in fraternity, the third person of the blessed revolutionary trinity, and he asserted that inequality destroyed it. 'I am of the rich,' declared a character in one of his novels, when asked what country he had come from. Had Rousseau lived today he would probably have described inequality as 'divisive'. It undermined patriotism (in Rousseau's view the highest form of fraternity) by breeding mutual resentment between rich and poor, and by giving the rich an interest of their own to be pursued regardless of the general interests. The examples which Rousseau chose to illustrate his proposition were not very good ones, for Republican Rome and 18th-century England are striking illustrations of the fact that patriotism

can coexist with a very high degree of inequality. Nevertheless his point has an immediate and powerful emotional attraction. It was, in his view, the task of legislators to 'look for the ties which bind citizens to their country and one another', whereas the societies which he saw around him were governed by a 'passionate concern for trivialities, the material pleasures that separate and isolate men, and make them weak'.

The third observation is that Rousseau (in common, we suspect, with most modern egalitarians outside professional politics) was an egalitarian without being a socialist. He believed very firmly in private property. Private property was the essential guarantee of the independence of the individual with whom Rousseau, unlike Marx, was above all concerned. Rousseau did not believe that everyone should have the same amount of wealth. He disliked gross disparities of wealth and he disliked disparities of wealth which appeared to correspond to no clear merit or service to the common good. What he disliked was not the possession by an individual of greater wealth than his neighbour but the manner in which that wealth was likely to be acquired in a competitive society. The vices associated with enrichment would disappear, he believed, if enrichment was due only to seniority or public service.

Finally, and perhaps most appositely, Rousseau's detestation of inequality was born of his dislike of economic development as such. He resented not only unmerited disparities of wealth but the wealth-creating process itself. In this respect he was quite unlike Marx, who believed in economic progress and who objected to inequality because it deprived the working class of its economic opportunities. Rousseau was not interested in economic opportunities. They belonged to a competitive and materialist society, which he hoped to do

away with. Rousseau wanted a society of pastoral smallholders, whose modest property and modest needs would make them relatively free and independent in their dealings with each other. The problem of deciding how men can secure their independence in an increasingly interdependent society is one which has exercised almost every modern political theorist. But Rousseau turned his back on it in his search for a simpler existence than any open to the generation which also produced Adam Smith and James Watt.

From such rare pronouncements of principle as have been made on the subject it seems clear that English egalitarianism is of the romantic rather than the intellectual kind—Rousseau rather than Marx. Like the egalitarianism of Matthew Arnold, a century ago, it is based partly on the self-evidently untrue proposition that inequality ‘is against nature’ and partly on the debatable proposition that ‘it harms by pampering on one side, by vulgarising and depressing on the other’. It is not, in fact, an absolute principle, not a rigid one and not one which can be demolished, as Marxism can, by pointing to the extremes to which it is carried by its own logic. Romantic egalitarianism is, above all, quite consistent with the toleration of some differences of wealth, depending on the range within which those differences are spread and the manner in which they come into being.

As R. H. Tawney expressed it in 1929, ‘what is repulsive is not that one man should earn more than others . . . it is that some classes should be excluded from the heritage of civilisation which others enjoy, and that the fact of human fellowship, which is ultimate and profound, should be obscured by economic contrasts which are trivial and superficial’. That is a powerful statement but it is based on reasoning which is itself trivial and superficial. Brotherhood is not necessarily

destroyed by inequality, but it is necessarily destroyed by the abrasive measures which are required to make men equal. These are points to which we shall return.

The British Disease

How have the public come to favour equality at all? In 1858, when the distribution of wealth in England was at its most unequal, John Stuart Mill observed that his countrymen found 'the very idea of equality strange and offensive'. Britain is indeed a revealing example of the change in public opinion on the subject. Historically, egalitarianism has accompanied Britain's economic decline. Nor has this been a coincidence. Economic success breeds respect for wealth and respect for the opportunities of creating it. Correspondingly, the contraction of those opportunities is likely to encourage a cake-sharing mentality and a resentment of those who appear to be taking more of what is seen as a shrinking cake.

When R. H. Tawney wrote his celebrated manifesto *Equality* in 1929, he devoted much of his space to lamenting the fact that the poor were still indifferent to the promise of equality. This humiliating truth Tawney attributed to the materialism of the working class which at heart, he thought, revered wealth and admired the possessors of it. (Much the same explanation was advanced by Bernard Shaw's Under-shaft in *Major Barbara*.) It is unlikely that in Tawney's day there was great demand for fraternity across class barriers. They were barriers not only of class but of income, education and interest. When class barriers were absolute divisions separating 'two nations', they were barriers not only to fraternity but to the desire for it. The blurring of class distinctions changed all this. The history of Britain since the Second World War suggests that as the standards of living

of the working class have risen and class distinctions have faded to the point where they are no more significant than the shape of a man's hat and the intervals at which he is paid, so egalitarian sentiment has become stronger. The cultural gulf between high and low earners narrowed and in some respects closed altogether. Fraternity now became a realistic possibility and correspondingly income differences, the one remaining obstacle, came to seem that much more vexing and unforgivable than before. Now they obstructed something that was a real possibility and not merely the pipe-dream of middle-class professors of history.

It is not surprising that the Second World War was followed by an election in which the Labour Party won a landslide majority, nor that since then nostalgia for the war's atmosphere of fellowship has frequently accompanied the expression of egalitarian beliefs. In the process which closed the cultural gap between the classes, the war was the central event. It was a brief period of enforced fraternity. It made further such periods seem both attractive and possible. It offered an obvious analogy to those who suggested that the economic revival of Britain should be treated as a great collective undertaking, warranting the same degree of social engineering as had been required in war times.

Since the war, income differences before tax have diminished and income differences after tax have diminished very sharply. But they have not diminished as much as class differences. Television has finally killed off a distinctive working-class culture and produced an almost homogeneous national civilisation (if that is the right word for it) for the first time since the medieval Church held undisputed sway over the minds of millions. At the same time rapid economic expansion and a striking improvement in the first half of this century in

the standard of the State education system gave rise to a high degree of social mobility, even by English standards. Men of exceptional talent and energy have always ascended rapidly through the ranks of English society, but the distinctive feature of English social mobility since the war has been that even men of relatively modest abilities with only average ambitions have been able to put their class origins behind them and have been carried by economic expansion through the hierarchy of large companies to positions which would once have been occupied by men of equally modest ability but rather higher social status. The result has been that it is now normal and not exceptional for the givers of orders to be almost exactly the same kind of people as the receivers or, which is more important, to seem to be exactly the same kind of people. It is sometimes assumed that social mobility is a palliative to inequality. Those who have low incomes, the reasoning goes, are less likely to resent the fact if they know that there are no barriers in the way of their earning high incomes themselves. This is almost the reverse of the truth. People do not like deferring to those who are much the same as themselves. They are often willing to defer to those who are very different, whether or not that difference amounts to superiority. On the whole, men do not like observing that higher incomes are being earned by men of their own kind. Nor are they comforted to learn that those incomes are merited by the other man's superior intelligence or skills. For when two men are being compared, the superiority of one is the measure of the other's mediocrity.

It is more comforting to think that one is poor because one belongs to the class whose lot is to be poor. This is partly because people do not value each other by their skill at work or by the strength of the market in demand for their services.

To take an extreme example, university lecturers in Greek and Latin literature do not think any more highly of lorry drivers for the fact that lorry drivers earn gross twice as much as they do, being twice as much in demand. But it is also because human nature finds it hard to envy another for a way of life that the envier could never conceivably have had, short of actually being somebody else. People do not envy the wealth and status of the Queen, precisely because it is unattainable. But in a prosperous meritocratic society there is hardly anything which is not potentially attainable, and almost everything is therefore in principle capable of being envied. Not only is almost everything capable of being envied, but as neighbours become more equal than they were, the state of the richer of them comes to appear more easily attainable by the poorer. Envy develops among almost equals. To that extent, class barriers palliate the effect of inequality. People will put up with economic differences between classes but not with the same differences within their own class. As a society moves slowly towards classlessness and cultural homogeneity one would, therefore, expect to find a growing resentment of income differences. The history of Britain since the war bears this out in the most striking fashion.

Envy

Fortunes quickly won act as a catalyst accelerating in spurts the slow process by which egalitarianism gains force. Rapid fortunes have been resented in all societies, certainly at least as long as the phrase 'new rich' has existed (and Dante was damning the '*gente nuove ai subiti guadagni*'* as long ago as the 14th century). It is not difficult to see why this

* 'New men of sudden gains'.

should be so. Rapid fortunes are frequently advertised by conspicuous consumption on the part of their owners, if not by the press. Their effect on public opinion is far greater than their statistical importance would warrant, which is why they are frequently used to justify the principle of economic levelling in the eyes of those who would certainly not accept economic levelling as applied to themselves. All the instincts making for egalitarian sentiment are aroused by such fortunes. They are made by those who begin with next to nothing and who, therefore, seem to the average man particularly ordinary and particularly like himself. The speed of their rise makes others reluctant to associate it with any moral merit and reluctant to accept that it serves a useful economic function even though, as we shall argue, it does do so in almost every case. On the whole, when the value of a millionaire's economic activities is perceived, his riches are accepted. Sir Frederick Laker is an example. But the benefits of an entrepreneur's activities, though real, are often not perceived. Human nature being as it is, people are more likely to notice the benefits he has conferred on himself than those he has conferred on them. The stories of these glittering individuals are examples of social mobility so extreme as to threaten the comfortable security of others and thereby discredit the wealth-creating process itself.

The property boom which occurred in Britain in the early 1970s is most instructive. It was a by-product of a credit boom which was designed with the best will in the world to sustain employment. But its most noticeable symptom was that a relatively large number of people, mostly young men, made exceptionally large sums very quickly by speculating in land (and in most cases lost it when the bubble burst). Undoubtedly some of the resentment which they aroused among

supporters of every political party was due to the mistaken view that their activities not only benefited from rising land prices but caused them. It is also true that the members of the public (such as first-time house buyers) who suffered from rising prices objected to those who benefited from them, irrespective of what was the true cause. But the principal element in the outcry which followed was the feeling that these property dealers had taken a fast lift to the top while others still stood on the escalator. It caused those who had not made fortunes unconsciously to look to their own lost opportunities, opportunities which had been lost by selling the chance of a fortune for the certainty of a secure and regular income. Their feelings consisted not so much of moral outrage as of concealed admiration and self-reproach. Men do not favour those whose achievements have emphasised their own timidity, nor an economic system which makes such experiences commonplace. In the abrupt leftward lurch of the English middle class in the early 1970s, the property boom played a significant, perhaps decisive role. Middle-class Englishmen did not become levellers, but they came to accept that there were degrees beyond which the private acquisition of wealth should not be permitted.

The phenomenon of middle-class egalitarianism, which is more characteristic of England than of any other Western society, has more to it than the discomfort of a secure but threatened and impoverished class. It is not only that the middle class itself is capable of envy, but that it knows itself to be envied by others. In those circumstances there is an irresistible temptation to run with the hare and hunt with the hounds. This is not a contemptible instinct but in some respects an admirable one. Envy is capable of serving the valuable social function of making the rich moderate their

habits for fear of arousing it. It is because of the existence of envy that one does not drive Rolls-Royces through the slums of Naples, as medieval millionaires or 18th-century French noblemen flaunted their wealth before the populace. Middle-class egalitarianism is a form of self-defence against the resentment which they fear that even their modest wealth may arouse. Woodrow Wyatt MP, in his autobiography, recalls that one of the formative episodes of his political education was an encounter at the age of six with a workman digging a drain in his father's garden, whom he asked whether he voted Conservative. 'What?' said the workman. 'Vote for people like your father who live in big houses like that while I am digging in this drain?' The young Wyatt fled to the house to reflect upon the atmosphere of the French Revolution ('There are so many more of them than there are of us'). Such instincts are quite natural. But their ironic result has been that the strength of egalitarian feeling in Britain has been matched by equally strong egalitarian feeling among many of its principal victims. For those who believe that private fortunes have a fertile and liberating effect on human civilisation, this is a depressing truth.

It is now, three decades after the war, widely accepted that it is a proper, indeed a major, function of the State to shift incomes and savings from the richer to the poorer members of society. From small beginnings in the Liberal government which took office in 1906, an immense administrative apparatus has grown up to take charge of the operation. It has grown up not by conscious planning but by piecemeal improvisation: the provision of money benefits and services in kind below their costs, financed by taxes levied at progressive rates and sometimes at rates whose effects are wholly punitive in the sense that they do not yield

any revenue worth the cost of collecting it. At the same time the savings of the richer members of society are directly attacked by economic controls and levies on capital and gifts. As the 16th-century Italian historian Guicciardini wrote of the progressive taxes once levied in his native Florence, 'It lies in the nature of things that beginnings are slight but unless great care is taken, the rates will rise rapidly to a point which nobody could have foreseen.' The rates at which tax can now be levied in England (98 per cent on the top slice of income from savings) have not exactly been unforeseen. There has been discussion of their effect as a deterrent to hard work; of the economic distortions which they produce; of their threat to national vitality. But all these discussions avoid a central issue. They criticise redistribution, if at all, on the ground that it is unwise. This criticism is well-founded. Redistribution is unwise. But it is also morally indefensible, misconceived in theory and repellent in practice.

EQUALITY AND THE PUBLIC INTEREST

The demand for equality of results—what the great Victorian jurist Dicey pithily describes as ‘the equalisation of advantages among individuals possessed of unequal means for their attainment’—has usually been justified by its intrinsic rightness or by naked class interest. Neither of these arguments deserves respect although we have sought to deal with both of them. The argument which does deserve respect is that equality will confer some real benefit on the whole community and not just on that part of it which would be better off in consequence.

Broadly speaking the argument goes like this. Redistribution confers a material benefit on part of the community and inflicts a material burden on the other part. The fact that the beneficiaries do not have much wealth and want to have more is not in itself a reason for redistribution; any more than the fact that the victims have got wealth and want to keep it is in itself a reason for opposing redistribution. But there may be some beneficial public purpose to be served, some reason for redistribution independent of the satisfaction given to the beneficiaries. If both the beneficiaries and the victims of redistribution share a common social purpose which redistribution advances, then there is the justification of it.

We hope that it is not unfair to the proponents of this view to say that their argument is based on three broad categories of public benefit attributed to redistribution: first, the relief of poverty; second, equality of opportunity; and third, the

fostering of a sense of brotherhood and social community. These are all desirable social objectives with which we have no quarrel, and it is not difficult to understand why they are emotionally connected with the demand for equality of results. But none of them is likely to be achieved in an equal society.

Robbing the Rich to Give to the Poor

Of the three, the first and most potent is the relief of poverty. Egalitarianism has derived much of its emotional force from the continued existence of a residue of poverty even in the most prosperous Western society. Every middle-class Englishman possessed of comfortable means and a sense of material progress must once have been appalled by the drab surroundings in which many live in England, and the extreme squalor in which some live in other parts of the world. These experiences do arouse feelings of guilt about the opulence of one's own way of life. The fact that the connection between the opulence of the rich and the poverty of the slum is emotional and subjective, rather than objective and logical, has not deterred primitive societies from Republican Rome to modern Nigeria from passing sumptuary legislation against 'unnecessary' expenditure. Private affluence and public squalor is a powerful rallying cry (although oddly enough this abhorrence of conspicuous extravagance has usually been part of the mentality of the middle class and not of the working class, who have traditionally enjoyed a good show: as witness the popularity of stately homes and the obsession of the popular press with the private doings of millionaire film stars).

That stout Tory Samuel Johnson once observed that 'a decent sufficiency for the poor is the first mark of a Christian

Nation', and this is a view which many vigorous opponents of equality have endorsed. It was no socialist but Benjamin Disraeli who coined the phrase 'two nations'. The relief of poverty has not in the past been thought to require an equal society and it is difficult to find any necessary connection between them today. On the contrary, everything in the experience of this country since the last war has combined to demonstrate that you cannot make the poor richer by making the rich poorer. You can only make the poor richer by making everyone richer including the rich.

Of all the official activities making for equality the most important by far is the levying of tax at high marginal rates on the higher incomes, say those more than twice the average national earnings. Yet these rates of tax contribute nothing to the relief of poverty. It has for long been the case that even if the incomes which attracted them were taxed at a marginal rate of 100 per cent, the effective 'redistribution' achieved would be little more than a pound per head each week. The precise figures change, but the truth which they embody remains the same. Those who justify taxes levied at these rates cannot suppose that the relief of poverty is advanced one inch, and the more honest and thoughtful of them do not suppose anything of the kind. As Anthony Crosland observed in *The Future of Socialism*, 'We have now reached the point where further redistribution would make little difference to the standard of living of the masses; to make the rich less rich would not make the poor significantly less poor'. That was written more than twenty years ago.

It is often assumed that the 'National Dividend' derived from the higher rates of tax could be distributed more effectively if it was distributed more selectively. This is based on a misconception of fact, for the total amount available for

redistribution by any method is absurdly small. But this is not an argument which would be open to most egalitarians even if it were well founded in fact. It would involve giving help where help was most needed, and the language of rights does not permit such selective intervention. It offends against the central principle of the collectivist society, that people in general (not just the poorest) should submit to an objective examination of their medical, educational and other basic needs, which will then be met by the State whether or not the beneficiary could or would meet them himself. Any other principle may smack of charity. We are therefore condemned by the logic of redistribution to submit to taxes levied at rates which make a mockery of redistribution itself, except in the purely negative sense that they destroy the wellbeing of the better off without any compensatory benefits to the poor or indeed to anyone else except for the numerous officials responsible for their collection.

Not only is there no benefit to the poor, but to the extent that confiscatory rates of tax discourage the creation of wealth the poor are actually worse off than they would be in a society of sharp contrasts. This is often disputed but it is scarcely controversial. Ultimately the capacity of any society to look after its poor is dependent on the total amount of its wealth, however distributed. To make each increase of a man's productive effort less rewarding than the last, while at the same time reducing the effort required to sustain a tolerable existence seems likely to diminish the wealth-creating propensity of any society. Human motivation is elusive. No one can demonstrate conclusively what is the effect of redistribution on economic effort. But the proposition that its effect is damaging rather than beneficent is so plainly consonant with common sense as to require from those

who would deny it a convincing body of evidence which has not been forthcoming.

There have indeed been some half-hearted suggestions that high rates of income tax may make men work harder to pay them and to maintain a given standard of living, rather as donkeys in children's cartoons trot forever onwards towards the carrot suspended from a stick attached to their neck. Arguments of this kind, which would seem highly questionable even when applied to marginal rates of 20 per cent or 30 per cent, become absurd at the rate actually in force in Britain. The fallacy of the argument is that it assumes that high taxpayers never measure the pleasure of receiving more against the burden of earning it. If a successful surgeon earns £15 per hour he will pay a marginal rate of tax at 83 per cent. He will therefore have before him the following choice: he may work an extra hour and receive a net sum of just £2.55; or he may instead prefer to pass that hour repairing a leaky ballcock in his roof tank, thus saving himself the cost of hiring a plumber at, let us say, £2.55 an hour; or alternatively he may decide that the pleasure of possessing £2.55 is smaller than the pleasure of an hour passed sitting in the sun. An economic argument which makes it no more worthwhile for a highly skilled surgeon to conduct an operation than to take over a plumber's job, and only slightly more worthwhile than to do nothing at all, can scarcely be regarded as a credit to the society which practises it.

Even if the donkey-and-carrot argument were true it would prove nothing more than that high rates of tax encourage longer hours of work. It does not follow from this that they encourage more productive hours of work or hours of work of the kind which is most required. High incomes are not only an incentive to work hard but to do the work which

wants most to be done. They are a reflection of the extent to which the services of those who earn them are demanded, by comparison with the services of other people. Inequality of earnings is no more than an indication of the fact that some of these services are in greater demand than others. Yet if those differences are erased by redistribution, who is going to take the jobs which require long training, unpleasant conditions or rare intellectual application? True it is that many well-paid jobs are also particularly interesting jobs and that those who do them would often do them for less. Other jobs confer status or power which would draw able men to them whether or not they were well paid. These facts are often advanced as reasons for doubting whether differences of earnings really do have an incentive value. But it is impossible and illogical to generalise from them. It is illogical to oppose differences in incomes on a basis which requires acceptance of differences in interest, status and power (what is income if not a route to interest, status and power?). It is impossible to argue that the pleasure of the job is a sufficient incentive: it is rarely if ever an exact reflection of the economic demand for it and is usually not even an approximate reflection. How many will rush to endure the dangers of a miner for the pay of a postman? Who will do the jobs, such as shorthand typing, which are well paid precisely because they are dull? When the perils of failure are as great as ever but the rewards of success are confiscated, will people willingly invest their savings in fertile but risky ventures instead of in the sterile security of government bonds? And if they don't do so is it not plain that the prosperity of society as a whole is more likely to be diminished than increased?

These are fundamental not peripheral questions, which emotional assumptions often prevent us from asking. But the

point may become clearer when we turn from the inequalities within our own society to those in the world at large. The absence of any supranational authority capable of dealing out distributive 'justice' has frustrated all endeavours to iron out inequalities between nations although those inequalities are far more pronounced than any which are found within the richer Western societies. Yet absolute standards of living in the poorer nations have clearly improved immeasurably in consequence of the wealth of the richer ones. Although it is frequently suggested that the relative poverty of the under-developed countries is objectionable, their absolute standards of living are far higher than they would be without the immense prosperity of the industrial West. The very wealth of the West, its demand for the products of the third world, and the technical knowledge which it has gained have enriched the poorer nations of the world.

If some divine power had, in the 14th century, decreed that no country should be permitted to advance any further than another, and that any capital resources which such a country accumulated should forthwith be redistributed across the continents by way of income subsidies, is it conceivable that the wealth of the world would be as great as it is now? And is it conceivable that in the past five decades the poorest countries of the world would have achieved a material standard of living which the West took five centuries to create for itself? These questions are as pertinent at Westminster as they are in the United Nations. In either case the choice must be made between absolute and relative standards of living. No doubt there will be some who will prefer to pursue the latter at the expense of the former, and they may enjoy aesthetic and emotional satisfaction in doing so. But it is hypocrisy to pretend that the poor will benefit.

It is only a modest degree of redistribution which can be justified in the name of relieving poverty. On a purely technical level it is impossible to collect an equal proportion of every adult's income, including the subsistence incomes which sustain a small number of adults. To the extent that an exemption of the first slice of income is necessary it is plainly mildly redistributive in its effect and justifiably so. It is not only the technical consideration that taxes must be collectable which justifies a limited degree of redistribution. There is a level of subsistence below which no society should allow its poorest members to fall because a free society cannot afford to permit a substantial number of citizens to sink to a condition in which they would prefer well-fed slavery to indigent freedom.

Nor can any society, free or unfree, tolerate differences between its members so extreme as to undermine its security and stability. Above all, a society based on shared values, which include a decent sympathy for the poor, is entitled to have that sympathy reflected in its policies and its institutions. But these are all arguments for providing an absolute standard of living to which the poorest and most incapable shall be entitled. An absolute standard means one defined by reference to the actual needs of the poor and not by reference to the expenditure of those who are not poor. A family is poor if it cannot afford to eat. It is not poor if it cannot afford endless smokes and it does not become poor by the mere fact that other people can afford them. A person who enjoys a standard of living equal to that of a medieval baron cannot be described as poor for the sole reason that he has chanced to be born into a society where the great majority can live like medieval kings.

By any absolute standard there is very little poverty in

Britain today. There are those who, like the old, the disabled, widows and some one-parent families, have special needs. There are other cases of poverty of a kind which no society can entirely eliminate because they result from, say, gross mismanagement, alcoholism or some unforeseen disaster. Plainly it is right that these needs should be met as far as they can be. But it is not right to turn a discussion of real needs into a discussion of something else by so defining poverty as to introduce into it the quite different concept of inequality.

Equal Chances or Equal Results?

Equality of opportunity is the second great public benefit proposed as a justification of redistribution. As a political ideal it has a long history which has given rise to a distinguished line of philosophical thought. It is a commanding rallying cry. No one would overtly deny that it is just. The very universality of its appeal makes it natural that it should be suggested that the campaign for the equality of results is a mere extension of it. People do tend to assume that all the ideals which they admire are logically connected or at least compatible. They tend also to think of political advance as a linear progression of ideas each one engendered by the last. In this they are no doubt encouraged by the debasement of the political vocabulary which has, for example, transformed the word 'liberal' from a description of those who sanctify individual enterprise into a byword for any collectivism which falls short of authoritarian socialism. Muddled thinking has enabled mutually inconsistent conceptions of equality to pass as different manifestations of the same thing. Yet fraternity is destroyed by the measures necessary to bring about equality of results. Equality of results is itself the enemy of equality of opportunity. It becomes difficult to discuss equality of results

at all without first distinguishing it from other demands with which it is emotionally but not logically associated.

Equality of opportunity is an attack on privilege in the name of liberty. And by privilege is meant not simply an advantage, but an advantage gained by means of force or discriminatory laws. To confine a job to persons with sixteen quarterings on their coat of arms or to those who belong to a particular trade union is to create a privilege; to confine it to those whose natural endowments or talent qualify them to do it is not. Before 1832 forty-shilling freeholders were the only people entitled to vote in most parts of England. That was undoubtedly a privilege. But forty-shilling freeholders were not privileged by virtue of being the only people able to afford claret.

A believer in equality of opportunity regards the State as the delegate of all citizens equally, and therefore as being precluded from using its powers to favour some citizens against others even if the citizens favoured are a majority. Equality of opportunity requires that no external barrier shall prevent an individual from exploiting his talents. No laws shall permit some men to do what is forbidden to others. No monopolist shall make use of his dominant strength to deny to others the rights which he enjoys himself, whether he be a member of the National Union of Journalists or a manufacturer of computers. Nobody shall intervene to prevent another from submitting the justice of his case to a court of law, or from being considered on his merits for appointment to public office. Equality of opportunity is a neutral concept. It does not set up any particular social arrangement as a desirable goal but merely requires the absence of artificial constraints on individual achievement.

It used to be thought that in the course of time equality of

opportunity would give rise to a more or less equal society. Those who, like Jeremy Bentham, regarded men as being motivated by very similar ambitions and possessed of very similar capacities for their achievements, naturally assumed that unless the law actively prevented equality 'large properties would be seen without efforts, without revolutions, without shock to subdivide themselves little by little'.

But anyone who accepts that all individuals are not capable of the same achievements, must also agree that perfect equality of opportunity will give rise to very striking inequalities of results. All Englishmen in the early years of this century had an equal opportunity of founding Morris Motors, but only one of them did so, a man as it happened of humble origins, little education and no inherited wealth who had begun life as a bicycle repairer.

Political revolutions aimed at the destruction of privilege, when they are not followed by totalitarian dictatorships, are characteristically followed by extremely unequal societies. Old Grandet in Balzac's novel *Eugénie Grandet* began life as a peasant and made use of the opportunities thrown up by the French Revolution to emancipate himself, buy up Church land at bargain prices, and accumulate a prodigious personal fortune. Grandet has many counterparts in real life to illustrate the truth of the adage 'equal at dawn, unequal at dusk'. If a British revolution were to abolish distinctions of wealth at a stroke, the differing capacities, attitudes and skills, the differing abilities to cope would upset within hours any attempt outside of prison to bring about a real lasting economic equality.

Equality of opportunity is the corollary of the liberty of the individual. Equality of results is a very different animal. It implies that the tendency which exists in a society of equal

opportunities for some people to make better use of them than others should be corrected by the preferential intervention of the State, so that although some run faster than others all shall finish in the same place. Discrimination between different kinds of citizen, absence of which is the essence of equality of opportunity, is the central feature of the equality of results. It may be argued that discrimination against the rich and in favour of the poor is morally right; but it cannot be suggested that it is not discrimination. To that extent it cannot be denied that it offends against equality of opportunity and therefore against liberty.

That most egalitarians have found this conclusion a bitter pill to swallow does credit to their humanity but scarcely to the logical coherence of their views. The arguments which have been directed against it include some which are little more than semantic chicanery. But there is one which deserves attention. This is the argument which declares that men do not naturally differ from each other in their capacity to use equal opportunities but are made to differ by the unequal environments in which they take on their individual personalities. Hence (it is said) it is legitimate to manipulate the environment in which individuals develop so as to ensure that none excels above the others.

In strict logic the question whether or not men are created equal is irrelevant. You cannot, as David Hume would have said, deduce 'ought' from 'is'. It is not an argument in favour of equality that men are born equal any more than it would be an argument against it that they are born different. Equality is not a fact but a political demand. The purpose of those who assert that men are born equal is to suggest that it is human institutions which make them unequal thereafter, institutions such as bad schools, overcrowded houses or

ignorant and brutalised parents. To argue, as Tawney did, that there is no equality of opportunity until every child has an equal start in life with an equally secure and comfortable home in which to develop his talents, is fair enough up to a very limited point. Thereafter it involves a depressing contradiction: equality of opportunity (it is said) is a fine thing because it enables each man to achieve his full potential, but it can be achieved only by equalising standards of living, therefore in order to create true equality of opportunity one must prevent the ablest from achieving their full potential. A dim appreciation of this difficulty may be responsible for the recent revival of the belief (which Tawney himself dismissed as absurd) that all men are equally able and their full potential is roughly the same.

Thus we have witnessed the denial of the heritability of intellect by British (and even more by American) educationists. Instead, it is suggested, ability is not merely influenced but determined by 'nurture', by such factors as the quality of the home and the size of the family which depend in a large measure on material prosperity. If this view is correct then it is plausible to argue that until these material factors are equalised there will be no true equality of opportunity, and that when they are equalised there will be perfect equality of results.

The suggestion that inequalities are 'manufactured' by the institutions of a capitalist society is curiously at odds with one of the more striking characteristics of modern English egalitarianism: the tendency for the inherited wealth of ancient families (which owes most to institutional factors) to arouse less resentment than the self-made wealth of successful businessmen. Those who suffer the most venomous abuse from egalitarians are the new rich who have transcended the

limitations of institutions. But the objection to the nurture theory is not so much its inconsistency with other egalitarian prejudices as its inconsistency with all the observable facts. A fine upbringing is indeed an advantage, in the sense that its beneficiary will enter into the heritage of cultural values which are, on the whole, not natural but taught. These are probably the values which are most appreciated by academic political theorists.

But we are talking of the capacity to acquire money in business, the only capacity whose unequal distribution arouses much egalitarian resentment, and it is far from clear that that capacity depends in any measure on the material circumstances of a man's upbringing. Indeed it has been well said that in order to become a millionaire one must be born either very rich or utterly penniless. It cannot be proved, but seems probable, that the sense of personal security enjoyed by one born into the middle-class way of life actively discourages the taking of real financial risks which alone creates large fortunes.

On the other hand those who have made the spectacular fortunes of this century have started from beginnings which ought on the pure nurture theory to have condemned them to perpetual helotry. The largest of them all was created by John D. Rockefeller, who was brought up by a quack medicine salesman and a mother who used regularly to tie him to a post and beat him. He began his business career as a book-keeping clerk. In England the example of William Morris, first Lord Nuffield, has already been mentioned. Two other millionaires who have recently founded colleges in Oxford or Cambridge are Sir Isaac Wolfson and Mr David Robinson, both of whom came from equally inauspicious family backgrounds. The fortunes made by those whose childhoods were

passed in Jewish immigrant families living in the most squalid slums of London or New York are remarkable evidence of the fact that opportunities for self-enrichment are not destroyed by extremes of poverty and inequality in early life.

The recent obsession with formal qualifications has obscured the fact, which the lives of these self-made millionaires bring out very clearly, that the enrichment of individuals has very much more to do with luck and with the strength of their motivation than the quality of their upbringing. There is no reason to suppose that intensity of motivation goes naturally with the material advantages of a prosperous background. All the evidence suggests that the opposite is true.

If differences of ability are not manufactured by institutions but exist independent of them one would expect to find that all the brave new experiments in manufacturing equality by educational manipulation would produce little or no effect. Broadly speaking this is what one does find. Investigations of children brought up and educated in identical circumstances do suggest that their capacity to exploit opportunities can nevertheless be very different. It is a field in which it is notoriously difficult to draw firm conclusions from evidence whose collection is generally accompanied by ideological enthusiasm on one side or the other. But one is bound to be struck by the fact that the most persuasive evidence that institutional factors have no appreciable effect on achievement comes from investigators such as Coleman and Jencks in the United States, who approach their work with a strong personal commitment to equality of results. For all the elaborately solemn academic jargon in which they are presented these studies are closely aligned with common sense

and with the conclusions which anyone might draw from the briefest study of history.

At no point in their lives are men equal in ability and capacity to exploit the opportunities which all equally enjoy. Nor at any point in their lives can they be made so. One can of course draw from this (as Jencks does) the conclusion that instead of trying to reduce people's capacity to gain a competitive advantage over one another, one should neutralise the rewards of competitive success by redistributing the wealth of the successful. That depends on an ideological assumption which has nothing to do with educational psychology or with the moral effect of deprivation. It amounts to saying, in effect, that one does not like the inevitable consequences of equality of opportunity, and would prefer to have equality of results instead. But let us not deceive ourselves into supposing that we can have both.

Brotherhood and Class

The third of the public benefits advanced as justifications of social equality is at the same time the most attractive and the most elusive. It is the achievement of a sense of community and brotherhood, an ideal which it would be churlish to despise but whose realisation in peacetime has defeated every political moralist who has ever attempted the task.

This is not a peculiarly British problem. Britain is not unique in having class distinctions, although she is probably unique in the degree to which they are regarded as strange or calamitous. There is a school of thought which identifies class as the fundamental problem of British society, the root cause of political and industrial unrest and the origin of every economic failure. These views seem unrealistic and a little hysterical. They are also based on the two serious misconceptions that

equality will do away with class distinctions, and that class distinctions constrict economic performance.

This is not the place for a detailed analysis of Britain's economic performance since the Second World War. But the causes of Britain's economic failures plainly do not include distinctions of class or wealth, for both distinctions are far less important now than they were at the time of Britain's greatest economic strength. Moreover other societies in which these distinctions are far more marked have enjoyed considerable prosperity: a notable example is France. Indeed it is one of the ironies of modern British History that the evil traditionally associated with a rigid class system—the waste of talent kept in its place by an immobile society—had never been a feature of British society until we began to introduce it in our own lifetime. The ranks of the 'Establishment' have always been open to able outsiders, in marked distinction to the aristocratic societies of, say, pre-revolutionary France. By condoning closed shops, by incomes policies and by venerating formal qualifications we are now introducing what our forbears avoided in the most class-ridden age of English history, namely a structured society in which ambition is fruitless and social advance slow.

There are in reality two issues, one of which concerns income differences and the other class distinctions which are very far from being synonymous with them.

How class affects economic performance has never been made clear by those who persistently assert that it does. Class distinctions have nothing to do with the differences which egalitarians seek to diminish by redistributing wealth. Although they do to some extent correspond to the role of particular groups in the productive process, class distinctions are cultural rather than economic. They exist precisely

because money is not highly enough regarded to perform the function of differentiating between men, which is why they tend to be weakest in rootless materialist societies like the United States and West Germany and strongest in traditionalist societies like England and France where money is not the universal measure of an individual's value. This is something of which we should be proud, not ashamed, but that is another issue. For present purposes it is enough to point out that to the extent that class divides us it will not cease to do so when we all have the same amount of money. Something as deeply rooted as an attitude of mind which recognises an absolute difference between the suit and the overall, the horses and the dogs, the pay packet and the salary cheque, the saloon and the public bar, is not going to be disposed of by legislatively trivial reorganisations of prices and incomes. The very existence of that attitude of mind is a symptom of what is almost certainly an abiding characteristic of humanity as a whole and not just that part of it which lives in England, namely the need of men to identify themselves with groups distinguishable by some outward quality be it momentous or utterly trivial. There are classless societies, or almost classless societies, and some of them such as Sweden are also prosperous societies. But it is not economic equality which has made them classless. We shall probably never be free of some manifestation of class distinctions, and although their potential for damaging human brotherhood is undeniable it is pointless to take issue with human nature.

Class distinctions are a barrier to human brotherhood. But it is very doubtful whether the same can be said of income differences as such. If the abolition of class distinctions—as opposed to the continued reduction of any obstacles to movement between classes—is impossible, and the abolition of

income differences irrelevant it is difficult to see what is left of the egalitarian case that a more equal society would be a more harmonious one. Indeed in one important respect it would plainly be less harmonious. Egalitarianism requires the deliberate, continuous and forcible suppression of one of the few aspirations common to almost everyone, namely the desire to improve his material lot. The basis of egalitarianism is the remuneration of individuals according to some objective assessment of their entitlement. This may mean that all are to be made equally rich or that their wealth is to be different but reflect some scale of moral or economic worth. It may be brought about by regulating incomes or by progressive taxation. In all these cases the object is the same, namely to ensure that no one gets more than he is worth, whatever may be meant in this context by the word 'worth'.

Yet the one matter on which no one can ever agree with the rest of society is how much he himself is worth. 'For such is the nature of men,' as Hobbes wrote more than three centuries ago, 'that howsoever they may acknowledge many others to be more witty or more eloquent or more learned, yet they will hardly believe that there are any so wise as themselves; for they see their own wit at hand and other men's at a distance.' It is a delusion unworthy of any serious observer of human nature to suppose that men would live in closer fraternity if their rewards were determined by an assessment of their moral worth instead of by a combination of good fortune and the demand for what they have to offer. Few men can tolerate the thought that they are being artificially obstructed in their pursuit of something which they know they are capable of achieving, whether the obstruction takes the form of the direction of labour in the totalitarian State or of steeply progressive taxation in Britain's mixed economy.

It is probably true that if men were naturally equal in all respects that mattered their sense of community of spirit would be stronger. But it does not follow that the same result would be achieved by employing coercion to make them economically equal. There is more than one parallel in modern politics to the story of the Victorian headmaster who said 'I will have a happy school if I have to beat every boy to make it so.'

The competitive spirit, a moralist may feel, destroys human fellowship and up to a point he is right. But whether men are capable of living in fellowship together depends on what kind of people they are, on what kind of desires they have, and not on the extent to which they are permitted by law to fulfil them. Men do not become less ambitious when their ambitions are frustrated; they change their methods rather than their objectives. This is strikingly illustrated by every attempt to make the State the agent of distribution instead of the free market. That mutual emulation and competitiveness are characteristic of free market economies is beyond question, but the effect of apportioning resources by administrative action is simply to shift the competition to another field. Instead of competing for the favour of the consumers of the fruits of their labour, men will instead compete for the favour of the State and seek to divert in their own direction the pipe through which the national wealth must now pass. It is difficult to see why this should be a more acceptable form of competition. In a competition for the favour of the State there are no ground rules. The battle is carried on in ruthless disregard of other interests. Sheer strength is the only determinant of success and the winner is the participant who can cause maximum inconvenience to his fellow men. Moreover since the spoils consist in many cases of subsidies exacted

by taxation, the victory is won at the direct expense of the losers. This is not a state of affairs in which human fellowship is likely to prosper.

The argument which is implicitly advanced by many of the modern egalitarians, is that equality of dignity and self-respect is essential if men are to live in fellowship, a point which most of their opponents would readily concede. What is difficult to concede, and indeed to understand is the suggestion that equality of dignity and self respect cannot be had without equality of wealth. But the implication of this astonishing suggestion is more interesting than its factual inaccuracy. For once it is accepted that men cannot equally esteem themselves unless they are more or less equally rich, why should it be supposed that they will be content when at length they have become more or less equally rich? Will they not wish to strive for still greater respect from their neighbour by acquiring greater wealth? And if they are prevented by their neighbour from doing so will the sense of fellowship between them not be diminished? The assumption on which egalitarianism is based is that people want to have as much as their neighbour, that they measure their own status by his and feel entitled to have the difference made up to them. In other words materialism and the competitive spirit, often and rightly regarded as the root of inequality, is also the root of egalitarianism.

Fraternity is a noble ideal but it is in the nature of the thing that it cannot be imposed. What is required is not a change of social organisation but a change in the human material of which all social organisation is made. To the extent that a sense of community is natural to men political intervention is unnecessary; to the extent that it is unnatural political intervention makes it impossible. Sooner or later

every idealist whose egalitarianism is based on a belief in human brotherhood is bound to recognise that his quarrel is not with an economic system but with human nature itself. His quarrel is with the instincts of competitiveness and materialism tempered by tenderness to individuals, the common denominator of every society which does not set out to crush the humanity of its members. This is indeed the point at which the mild and moderate egalitarian must choose between extremes, and take the path of ineffective protestation or levy a war on humanity.

EQUALITY AND LIBERTY

Levying war on humanity is not too harsh an expression for the kind of society which is actually being constructed in the name of equality in many parts of the world. Almost half the population of the world is ruled by those who profess to act in the name of egalitarian ideals, whether of the Marx or Tawney variety. It is therefore a matter of some interest that with the exception of the Scandinavian countries they have produced a parade of totalitarian dictatorships which have not even succeeded in suppressing inequality but have on the contrary magnified it in almost every case. These societies are characterised, as capitalist societies are not, by show trials, concentration camps, mass murder, the use of mental asylums to punish dissent, 'cultural revolution', conscription of labour and xenophobia. In the Soviet Union and increasingly in other countries ruled by egalitarian parties, differences of income, lifestyle and opportunities between groups are wider than they are in the West while status mobility is considerably lower. Not all the iniquities of communist societies are attributable to the speed of the changes which they have introduced or the historical background of the countries concerned although these have often been aggravating factors. Most of the vices which are traditionally blamed on the birth pains of a new society, occur long after the initial upheaval and in a generation born into the new system. We are entitled to be guided by the failure of these attempts.

Breaking Eggs to make Omelettes

Political ideas are never intrinsically just. Their justice must be tested by their results. And if those results are disagreeable then however noble and exalted the principle on which they purport to be based, the principle ought to be discarded. The egalitarian has a formidable task in showing that the equal society would be an agreeable one in which to live so that people who had a choice would choose it for themselves. This is only another way of saying that the fact that a particular political scheme corresponds with abstract ideas of justice is not a good enough reason for putting it into practice. And if this proposition seems too obvious for the printed page, it is nevertheless implicitly challenged by every egalitarian who asks himself 'What would be the ideal society?' as if that were the only question which mattered.

One of them, the much revered Archbishop William Temple, went so far as to write that although Christians had a duty to demand a remedy for what he regarded as the maldistribution of resources, yet 'It cannot be said that it is their duty as Christians to know what the remedy is, for this involves many technical matters.' Much of what Temple wrote was penetrated by a commanding saintliness which makes it easy to understand why his words have proved so influential. But the words which we have quoted are entirely characteristic of his refusal to contemplate the practical consequences of what he advocated. Nor was he alone in this attitude. Practical considerations were mere 'technical matters'. Yet the 'technical matters' required to accomplish so complete a transformation of human society are likely to include many which are very radical and a few which deny everything represented by the Christianity for which Temple professed to speak.

Other egalitarians have at least had the realism to appreciate how radical the means would be even while subordinating them to the ends. Sidney and Beatrice Webb for example are not usually regarded as firebrands of the extreme revolutionary left. Pillars of the Fabian Society and advocates of the gradual road to socialism, their influence on the modern British left has been equalled by few others. Yet it was they who wrote *Soviet Communism: A New Civilisation?* (the question mark disappeared in the second edition) in which they described the work of the Soviet concentration camps as 'constructive', indeed as justified by the noble ideals professed by those who created them. 'Very bad management,' was Mrs Webb's only observation on hearing the neighbouring headmistress describe the cattle trucks of political prisoners whom she had glimpsed passing through a Ukrainian railway station; 'ridiculous to let you see them, the English are so sentimental . . . but you can't make an omelette without breaking eggs'. This opinion was a commonplace before 1939 amongst Labour politicians many of whom held high office afterwards. Similar things are sometimes said of China now. Their common feature is expressed with admirable succinctness in Beatrice Webb's allegory of the omelettes. She approached the issue on the basis that individual happiness was unimportant, even if the individuals in question were very numerous, even if they were the vast majority of those affected. Men were made for the societies in which they lived, not the other way round. They were made to merge their individualities into those societies for the creation of a whole. The purpose and value of every individual was that he should be broken so that from the mess which remained some celestial chef might construct an omelette after his own recipe. That is what is meant by those who speak of omelettes

and eggs, and by all those others who wrap the same disagreeable reality behind talk of reconstructing society at the expense of a little temporary inconvenience in a mould which they find aesthetically more delectable than the one which mankind has spontaneously evolved for itself.

There are undoubtedly egalitarians, men of warm human sympathies and moderate natures, who will say that this is a travesty of their views and will add that their policy is not one of absolute and brutal levelling but one of setting limits on perceived inequalities within the framework of existing habits and existing institutions. They will argue that the measure of redistribution which they advocate involves only a minor infraction of the liberty of a few people, more than compensated by the benefits obtained by others; the pursuit of equality would apparently stop short at the point where a serious assault on the principles of a free society seemed likely to result. Yet these assurances are themselves causes for alarm. If the only barrier between ourselves and the natural consequences of egalitarian policies is the mild and decent instincts of some of those who advocate such policies at the moment, are we not entitled to tremble for our future? If the justification for equality is that it is intrinsically and manifestly right why stop at any particular point? There can never be a condition of perfect equilibrium in which we can rest satisfied with as great a measure of equality as can be had without unacceptable infringements of our liberty. For equality is an absolute concept. Two individuals are not more equal simply because they are less different; they are either equal or unequal. Whoever asserts that we have as much equality as we want will therefore forthwith be contradicted by some more enthusiastic egalitarian zealot who will point to further inequalities remaining to be eradicated.

And the zealot will be right. For although the concept of equality is absolute, the reality of it is ever receding. The emergence of new inequalities in place of the old is an enduring feature of humanity in all but the most primitive unstructured societies. Unless one accepts the utopian view (advanced by Marxists among others) that the nature of men will change under a new system, one is bound to recognise that the despotic instruments which were necessary to create equality in the first place will also be necessary to maintain it. There can be no end to the egalitarian's constant advance against the grain of human nature. His campaign for equality will continue for as long as equality itself is regarded as a desirable goal. And while it continues not only the freedom of the rich but freedom as such will be continually eroded. Such has been the fate of every attempt which in the entire course of human history has ever been made to construct an ideal society on methodical principles.

It is sometimes said that the human catastrophe created by egalitarians elsewhere is of no concern to egalitarians here. They have set themselves a different and milder course and ought not to be discredited by the doings of other men in other places which they would be the first to condemn. But this is surely an evasion unworthy of the more honest of them. In considering what egalitarianism is it must be relevant to ask oneself what egalitarians do. That is a question which can only be answered by looking at examples. Those examples are in most cases the work of men who have had the opportunity to pursue idealistic goals by mild methods. We are entitled to assume that those who in England share the same goals and advocate the same methods may by the same process produce the same results. And when egalitarians profess to abhor those results we may legitimately look back and

remember what became of those who expressed similarly 'moderate' views at the origin of almost every tyranny which has been erected in the name of equality. It is essential to the egalitarian view of things that the competitive nature of men should be frustrated or changed. This is a revolutionary endeavour and revolutions are not carried through by the mild and decent men who first proposed them.

Poverty is not Unfreedom

If it were a mere accident that the pursuit of equality has in practise led to inequality and tyranny these examples would be of little relevance. But it is not mere accident. It is the direct result of contradictions which are inherent in the very concept of equality. Egalitarians rely for the achievement of their objects on the coercive power of the State, as they are bound to do by the nature of the human material with which they deal. A society in which the choices fundamental to human existence are determined by coercion is not a free society. It follows irresistibly that egalitarians must choose between liberty and equality.

This proposition, although we regard it as irresistible, is very frequently denied. The choice between equality and liberty is an uncomfortable one. Whence come the commonplace attempts to avoid it by an argument which goes something like this. Liberty has no meaning except in relation to an individual's opportunity to make use of it. Men are not in any meaningful sense equally free if their freedom can only be of use to them when joined with some other advantage (such as money) which some of them do not have. To put it crudely there is no point in telling us that we are all free to run newspapers or lunch at the Ritz if only a millionaire can afford to do either. A proponent of this view would say that

the only meaning which can usefully be attached to the concept of equality of opportunity is equality to buy things. It is not enough in his view to be free *from* something; if freedom is to have any meaning one must also be free *to do* what one wants or needs to do.

The suggestion that freedom means absence of want rather than absence of coercion carries with it the implication that it may be necessary to accept a political society characterised by coercion in order to conquer want. This is doubly nonsense. Citizens of unfree societies are often—in fact generally—poor and have few means either by economic ladders of self-help or by political reform to escape from poverty. On the other hand poverty in free societies is rare and should become rarer; it can be escaped; it can also be relieved if necessary through political debate. If one examines carefully the concept of freedom as ‘freedom to’ it becomes increasingly difficult to regard it as freedom at all. A person who is unable to do something which he would like to do may be unfree but is not necessarily so. As Sir Isaiah Berlin pointed out in a memorable essay, it all depends on the reason why he cannot do it. If the reason is that some other person or group of persons is intentionally preventing him from doing it, then he is to that extent unfree. But he is not unfree if he is not capable of achieving it because of some lack of capacity in himself. ‘It is not lack of freedom to be unable to fly like an eagle or swim like a whale,’ said Helvetius. It is not lack of freedom to be unable to write a poem in Latin hexameters or play bridge or make money in business. Poverty is one kind of personal incapacity. But it is not coercion. The possession of the money one would like is not the same thing as liberty, simply because both of them are desirable. How much money we have is one of the factors which determines the choices open to us.

Liberty means that we, not others, choose between these alternatives. A person who cannot afford to buy food may well have a justifiable grievance which ought to be rectified politically, but it would be misleading to describe his grievance as lack of freedom. If one wished to read the works of Alexander Solzhenitsyn but were unable to do so because one lived in the Soviet Union where his works are banned, one could properly say that one had lost part of one's freedom. But one could not say this if the reason were that one were blind or lived too far from a public library; and no more could one say it if the reason was that the books were too expensive to buy. This applies as much to bread as it does to books. The fact that bread is a necessity of life whereas books are not may well be a very good reason for helping out on humanitarian grounds those who cannot afford it, but it cannot be a reason for saying that such people are not free. Freedom consists in the absence of external coercion and no man is unfree unless other people intentionally use coercion to prevent him from doing something which he is able and willing to do and which could be done without encroaching on the freedoms of others.

Is inequality a denial of freedom? Not long ago Mr James Callaghan gave it as his opinion that liberty had been denied when he was a young man by the fact that he could not afford to go to university; then since he would presumably not have made that observation if everyone else had been in a like predicament we must assume that what he meant was that his liberty had been diminished because others had an advantage which he did not have. If Mr Callaghan had thought sufficiently deeply about it he might have put this in two ways. He might have said that his poverty as a young man was due to the excessive appetites of other men who had taken

more than their due proportion of the national cake, and this thus extended their own freedom by encroaching upon his. In other words he might have said that those greedy persons had exceeded the limits beyond which, as even the classical liberal theorists agreed, one man's freedom was another man's slavery. Alternatively he might have said (as Marx would have said) that his poverty really did amount to external coercion by other men, because it was the result of certain economic arrangements which other men had intentionally contrived whereby he was prevented from having enough for his needs while others were not.

The first of these propositions depends on an analogy between a fixed and divisible cake and the total wealth of the nation which is commonly advanced and will be considered later. The second or crude Marxist theory need not detain us long since it has few advocates and even they are not particularly energetic in its defence. According to this view the bourgeoisie have a monopoly of all the means of production except labour, which monopoly they use to deny all economic opportunities to the working class. If this were well founded in fact it would be a valid argument. It would show that Mr Callaghan's poverty was the result of economic arrangements contrived by other men in their own interests. It would show not that liberty was meaningless, but that in one important respect it did not exist at all, for monopoly is indeed an offence against equality of opportunity. But where is the monopoly? No group or class of people can be said to hold the monopoly of anything if membership of that group or class is unrestricted. So long as capital can be acquired (as history and social observation suggest that it can) by one who starts with nothing but the capacity to discover unsatisfied economic demands and exploit the opportunities they

afford, so long as by this means wealth can be acquired by those who began with none or with very little, there can be no such thing as a monopoly of the means of production. The argument is circular. If we accept Marx's definition of the bourgeoisie as containing all those who own productive capital, then *ex hypothesi* it must be right to say that all capital is owned by the bourgeoisie. It remains true on any definition that they do not own capital because they are bourgeois, but are bourgeois because they own capital. So long as that remains the case it is an abuse of words to talk of 'monopoly'.

To prove that inequality is the result of an economic system contrived by some men for their own advantage one must do more than show that another economic system could be contrived which would do away with it. One must show that differences of income which would not naturally exist are artificially brought into being. But the very methods on which egalitarians rely refute this view. Those who advocate the use of the coercive power of the State to create equality presumably recognise that without active intervention inequality would survive. And they are right. Inequality is a state of affairs which results when the natural aptitudes of men are allowed to manifest themselves in natural differences. It may be suggested that another and better state of affairs is conceivable, but it does not follow from that that inequality is a contrivance of men. Yet if it is not a contrivance of men it is not coercion and it is not a denial of liberty.

Those who confuse liberty and equality would no doubt hope to harness their cause to a word which commands instinctive emotional support even when emptied of all meaning. By doing so they conceal a real dilemma behind a screen of verbiage. But it is more than a rhetorical device. It is

an attempt to deny that we must choose between liberty and equality by pretending that we can have both. It would be quite fair (although irrelevant in modern Britain) to say that liberty is not in all circumstances the highest good and that in some conditions of extreme starvation and squalor one might reasonably prefer to be fed and housed than to be free. In other words if one believed that in an unfree society one would have a better chance of being fed one could make a case for having less liberty and more equality. But one cannot without dishonesty pretend that the liberty which has been lost in the process has been replaced by some other kind of liberty, 'economic liberty', 'social liberty' or the like. Liberty is liberty, not something else. And the slave is a slave; you do not set him free by feeding him.

Some are more Equal than Others

Even those who regard coercion as an acceptable price to pay for equality generally overlook the fact that coercion destroys the fraternity which is advanced as the chief justification of the enterprise. Ultimately coercion destroys equality itself. Those who suggest the use of the State to remodel society tend to refer to the State as an abstraction, a mystical embodiment of its individual subjects. Such phrases as 'social services', 'communal ownership', 'national enterprise' subtly reinforce this assumption. But it is not an abstraction. It is staffed and directed at every level of its existence by individuals. The effect of using the strength of the State to equalise economic wealth and rewards is therefore simply to replace inequalities of wealth by inequalities of power. It is strange that those who object to differences of wealth on account of the power which they confer on the few should be able to contemplate this fact with equanimity.

True, private wealth can itself be a kind of power. But it is an infinitely less dangerous kind of power than the kind which will replace it in an egalitarian society. The power conferred by private wealth is not a power to coerce others. It is not backed by unlimited physical force. It is not concentrated in a small number of controlling hands. It is not fortified by the power of a prevailing collectivist myth. It is diluted by competition, opinion and business failure. Its use is frequently subject to strong social and moral pressures from which officials, who can shelter behind the anonymity of their functions, are usually immune. Private wealth like political power may corrupt, but unlike political power its corruption does not harm others.

For these reasons the concentration of political power required to achieve egalitarian purposes would be objectionable even on the assumption that it would never be abused. Yet in the nature of things it is likely to be abused. 'Enterprise' is none the less run by men for the fact of being 'national'; rights of 'ownership' are none the less exercised by men if the ownership is 'communal'. These men have all the virtues and vices of their humanity. That same spirit of competitive self-interest which makes it necessary to rely on the State to create equality also guarantees that the rulers will seek to abuse the power of the State in their own interests. Their status as servants of the government does not alter their personality or make them any less ambitious for themselves than they would have been if they had been bankers, property developers or advertising agents, instead of civil servants. The goals of their ambition may be different. They may, though not necessarily, be directed to status and power rather than money. But they are none the less dangerous for that. In practice they are likely to be directed to both status

and money. British civil servants have demanded and received inflation-proof pensions whose capitalised value must amount in many cases to several hundred thousand pounds; nor, it appears, have they hesitated in recent years to use their influence in government in defence of that right, for example by excluding it from the definition of wealth for the purposes of capital taxation.

Historically it has proved to be the general rule that as the power of the State increases the use which is made of it to divert resources into the hands of its servants also increases, and correspondingly the amount of inequality. What was true of tax farmers under Louis XIV of France is true today of the State servants of communist dictatorships and will be true tomorrow of this country if we create the conditions favourable to it.

Redistribution by the State may have a marginal effect on the kind of inequalities which exist and the manner of their creation, but it cannot significantly alter the amount of inequality. Nor will it change the kind of person who comes out best: civil servants are middle class. The creation of a State which is despotic as well as inefficient seems a heavy price to pay for so small a measure of equality.

The Sterile State

It is the sterility of egalitarian societies as much as their contempt for individual achievements which make the prospect of living in one so bleak. Sterility like despotism is a necessary consequence of the egalitarian ideal in practice. Because men will tend when they are made equal to become unequal again after a quite short time it is necessary to preserve equality by the same despotic means which were employed to create it. An egalitarian must either suppress or

frustrate human ambition: there is no third alternative. Yet ambition is a virtue, if a much-derided one. All the energy, originality and powers of imagination, all the vitality which has made men creative has been released by the ambition of countless individuals. It is true that the competitive spirit, that is the desire to excel over others and be seen to be doing so, is capable of corrupting men's character. But it is capable also of inducing them to make the best possible use of their talents, and in the process to improve the standards of the society in which they live.

What is the principal argument against a caste system such as that which has existed in certain feudal societies or in Hindu India? Is it not the waste of human talent and creative ability which results from denying some people the right to the greatest self-fulfilment of which they are capable? And if that is a powerful argument against a caste system which suppresses initiative in part of the population is it not a still more powerful argument against an egalitarian system which suppresses initiative in the entire population? Unless the old inequalities are to re-emerge as soon as they have been suppressed the individual's right to self-fulfilment must in an egalitarian State be stifled in precisely the same manner as it is stifled in a caste system of the most rigid kind. The effects would be more claustrophobic than any class system which has existed in England since the 12th century. And this must be so whether the chosen instrument of egalitarian policy is the suppression of ambition at source or the destruction of the material advantages which feed it. In other words the sterilising effect of egalitarian practice is not mitigated simply because the chosen method of sterilising individual ambition is redistributive taxation rather than educational propaganda or the direction of labour.

It is not only the desire for wealth which is fertile but wealth itself. Wealth conserves independence. Its possessor can propound unorthodox views or make suggestions unwelcome to the 'Establishment' in a way which can never be open to those who depend on existing orthodoxy and established institutions for their next meal. The Emperor Frederick II Hohenstaufen once gave a famous Italian despot a brief and silent lesson in statecraft in the garden of the Bishop of Vicenza. He drew his sword and beheaded all the tallest grasses in front of him. This 13th-century ruler understood perfectly what every absolute State has instinctively practised. Unwelcome thoughts are more difficult to express in an equal society. In an equal society Marx could not have devoted his life to the study and criticism of the economic process; he would not have had the wealth of Engels to support him. Sidney and Beatrice Webb could not have spread their views with the same determined persistence over so many years without the assurance of knowing that her family's modest fortune freed them of the need to earn their living.

The function of these original and critical minds cannot simply be transferred to some official or quasi-official research unit. The need for the unconventional and independent outsider is increased, not reduced, in a society which confers exceptional powers on the State. The more powerful the State the greater is its confidence in its own capacities and the more unwelcome to its servants are suggestions that they have missed the point. Weak governments are vulnerable to accusations of ignorance and error. Strong ones even when they do not actively institutionalise obtuseness and ignorance are able to ignore unfamiliar notions and the experience of every age is that they do ignore them.

In 19th-century England there was a very small bureaucracy with very few coercive powers. Novel ideas very often came from within the governmental circle or from those who, although not employees of the State, were very closely associated with it by bonds of private influence. J. M. Keynes is perhaps the last important example of a man who enjoyed such influence, and even he felt that the possession of independent means (won by speculation) was an essential qualification for his task.

But the intellectual elasticity shown by the small bureaucracy of the 19th century is far beyond the possibilities of its modern successor. In an immense, structured and omnipotent bureaucratic machine bonds of private influence are weak and contacts with fresh thought in the outside world are usually nonexistent. Innovation must be forced on such a State by changing the orthodoxy which prevails among the public which surrounds it. This can be done, but it requires persistence and time and immunity from the need to pronounce established shibboleths. Time and independence are expensive. Who will provide them in a community in which the individual cannot afford them and the government does not value the result?

Politics is not the only field in which human achievement would be the poorer for want of men of independent means. Scholarship, which today is concentrated in the universities, was largely the preserve of independent gentlemen a century ago. Some of their works could scarcely have been published had they not had resources of their own. It does not, for example, seem likely that Darwin could have published *The Origin of Species* in the clerical atmosphere of the universities of his own day. Are we more enlightened now? Is there no such thing in our universities as a prevailing orthodoxy to be

challenged at one's peril? The assault on scholars such as Jensen and Eysenck on the grounds that such ideas as theirs should not be taught, whether they were true or false, may not be typical of English academic life. But they show that the 20th century is not immune from its own brand of neo-clerical divinity and suggest what one would expect to be true of every age: some ideas are so profoundly rooted in the instinctive assumptions of a generation that to challenge them seems impudent and offensive to the majority who by definition accept the prevailing notions. The next generation may discard those very notions. Probably both will be wrong.

Public patronage would be a poor substitute for private patronage even if (a large assumption) officials were invariably free from the inbred prejudices of their generation. The essence of private patronage is that the patron chooses something for his own delight. Officials choose for the delight of others and it is entirely right that in doing so they should have regard to the wishes of those others. Their function is to study existing public taste and to reflect it in their decisions. Truly original patronage comes from those who please themselves not others, as Lord Egremont, for example, pleased himself by patronising the novel paintings of Turner. What will give pleasure to the future or even to our own contemporaries is largely a question of chance and of the obscure workings of changing taste which can never be predicted. What matters is therefore not the quality but the quantity of patronage and its variety. Diversity is the seed-bed of excellence. If we are to maximise the chances that something of real value will be produced we must maximise the number of alternative sources of patronage and encourage the largest possible variety of patrons. There is a place for public patronage even in an anonymous State, but variety is of the essence

and it is a contradiction in terms to suggest that official monopoly can provide it.

The fertilising effect of wealth can be seen at lower levels of talent than Turner's and at lesser degrees of wealth than Lord Egremont's. The level of a community's civilisation is very much the level of civilisation of its most discerning and original members. Those who read scholarly books, go to out-of-the-way plays, or buy outlandish and incomprehensible paintings need not be millionaires but they must enjoy incomes significantly higher than the average. For the very fact that theirs are minority tastes makes them in most cases relatively expensive ones.

Critical commentaries on the thought of Karl Marx (to take a random example) are a great deal more expensive than station-stall paperbacks. If A and B both like to read three books a week but A's taste runs to the critical commentary while B prefers the paperback, it will cost A several times as much to satisfy his needs as it does B. If their incomes are equalised A will be unable to satisfy his unusual tastes solely because they are unusual. A will have the same income as B but will have less satisfaction: he will run out of reading matter on Monday evening. This simplified parable applies to almost everything on which men spend to make their leisure satisfying. Those who wish to read Thucydides in Greek are at a disadvantage to those who prefer the English translation. Those who enjoy the opera are worse off by comparison with others who derive equal satisfaction from television. Listening to records of piano music is a taste within the means of most men; having a piano to play for oneself is not. Who will tour the cathedrals of France when the income assessed as 'fair' is measured by reference to the far greater number who get the same pleasure from the

beaches of Spain? Those who talk disparagingly of 'elitism' presumably regard conformity to majority tastes as a virtue. But it is scarcely a cultural virtue. Equality of incomes presupposes and ultimately creates equality of tastes. Its ultimate consequence is cultural inertia and sterility. It implies the disregard of those minority tastes in which all cultural achievement is rooted. It ignores the richness and diversity of human society and the efforts which minorities make to satisfy their special needs.

Egalitarians recognise this when they support public spending on the arts in the hope of filling the vacuum of taste which they have themselves created. There are objections of principle to a public monopoly of patronage which we have already considered. Public patronage is likely to be determined by uniform and conservative taste as well as to confer on the State powers to discourage original thought which are likely to be abused. Yet it is not only the result which is objectionable but the process of reasoning which leads to it. If it is right that minority tastes should be catered for, why is it wrong that the minority should be left to cater for them itself? The theory of progressive taxation is based on the view (of which more anon) that the top slice of an individual's income is spent on less important pleasures the loss of which will cause him little suffering. But if it is unjustifiable that a rich man should spend the top slice of his income on opera tickets, why is it justifiable that the State should do so for him? Public subsidies to the arts are subsidies to the incomes of the minority who thereby receive back in kind many of the benefits which it was thought wrong that they should have in cash. It is difficult to avoid the conclusion that although economic equality does equalise tastes, its principal merit in the eyes of its supporters is that it also equalises dependence.

What is objectionable about high incomes does not seem to be the things that they are spent on, but the fact that expenditure reflects individual, not collective judgements. Yet although the cultural achievements of the past can to some extent be preserved by public spending it is difficult to see how fresh inspiration can emerge from a society in which aesthetic judgement is collectivised and an individual's judgement is either constricted by bureaucracy or submerged in an anonymous public taste. It is nothing to the point that most rich men are likely, if history is any guide, to spend the top slice of their income frivolously. The future will select what it values, and the dross will disappear in that process of natural selection which is characteristic of the development of any civilisation.

This is an elitist view but no apology is made for that. The speed of any society's advance is the speed of its fastest members, and a society in which no one may advance an inch before another will remain immobile. It is a familiar truth that the luxuries of one age are frequently the necessities of the next. The examples of glass, carpets, newspapers, cameras, motor cars, airline tickets and television, should make us wary of dismissing that truth as a piece of tired apologetics. These are all things which are by any objective standard unnecessary to support existence but are undeniably agreeable. All of them were once within the means only of the richest few. Had egalitarian principles always prevailed the desire of those rich few to support them would not have seemed a sufficient justification for their higher incomes. Yet others have those things now for no other reason than that they were once made for the enjoyment of the few. Is it conceivable for example that some percipient organ of the State could have discerned in the middle of the 19th century that

there potentially existed a mass demand for cameras? And that it could then have made the mass supply available to satisfy it without the intervening stages of expensive trial and experiment for the benefit of the discerning? The discerning no doubt enjoyed their expensive hobbies at a time when others lacked the basic necessities of life. Yet it is difficult to imagine how the present prosperity of the West would have been achieved if it had always put first things first; if it had always sought to provide more of the things needed by everyone before providing any of the things wanted by the few.

This is of course a difficult argument for the emotions to accept. For it involves saying that the needs of our contemporaries are less important than those of a future generation. Yet it is only another way of saying that no community should consume its own seed corn. As members of a rich Western society we now take for granted a standard of living which is the direct legacy of past freedoms and past inequalities. We are the heirs of a civilisation which owes its vitality to traditions of tolerance, liberty and individualism. We enjoy pleasures and opportunities to consume which were once enjoyed only by a rich handful. Those opportunities exist only because the means to consume have been unequally distributed in the past. We are not entitled to help ourselves to these benefits while denying them to our descendants. To argue that they will have no business to want what we ourselves do not need is not only arrogant but denies the most basic principle of the progressive society. If life is now richer and more rewarding than it was, it is because such arguments have always been ignored or rejected by every generation before our own.

FAIRNESS

Procrustes was a celebrated Greek highwayman who used to tie travellers to a bed, lopping off their legs if they were too long for the bed and stretching their spines if they were too short for it. He was killed by Theseus but lives in spirit whenever it is suggested by some mean fellow that there is a just and fair measure of human achievement to which every individual should be made to conform his ambitions. That this should be suggested in the name of 'fairness' is one of the most incongruous elements of egalitarian theory. There are three questions which should be considered by every proponent of the political enforcement of 'fairness'. First, is it possible for any man to know what is the 'fair' ration of wealth which another may enjoy? Secondly, is there anything 'fair' about equality of economic results? Thirdly, even if equality is 'fair' is that a good enough reason for imposing it by political means? These questions, and particularly the last, do not provoke enough reflection among those who take it as given that the object of a political society is to come to some conclusion about the ideal arrangement of social life and to make that arrangement compulsory. Whether Procrustes was correct in his view that the ideal man was as long as his bed is not, after all, the most important question raised by his behaviour.

How Tall is too Tall?

We have already pointed out that moral objections to the acquisition of greater than average wealth usually presuppose

that all men have potentially the same economic capacity. When we pass from the acquisition of wealth to the enjoyment of it, we find that a rather similar presupposition is made about the capacity of individuals for pleasure and the way in which they will set about finding it. In reality, every person who advocates the enforcement of any particular social arrangement as 'fair' makes two unwarranted assumptions, one about himself and the other about his fellow men. About his fellow men, he makes the unwarranted assumption that they are a homogeneous mass whose tastes and values in life can be treated as uniform, and about himself he makes the arrogant as well as unwarranted assumption that he knows what those tastes and values are. Only by making those assumptions is it possible for such a person seriously to suggest that the tastes and values of a society would be best catered for under the kind of arrangements which he has in mind.

Somebody who points to a particular state of affairs as the model to which societies should strive to conform is saying that that state of affairs is the most conducive to the happiness of everyone alive; that it is best for us and best for you and best for the man who collects your rubbish and the one who delivers your mail, best for Brigitte Bardot and best for the Editor of *The Times Literary Supplement*. Now it may be that he is in fact not so unreasonable as to suppose that the same social arrangements can be equally conducive to the happiness of everyone alive. It may be that instead he proposes the more modest view that it is only best for some people and that what is best for those people ought to prevail because, for example, those people are members of the working class, or constitute the majority of voters in a democracy, or hold views about social institutions which our

imaginary utopian finds particularly admirable. None of this diminishes the presumption of which we accuse him. Merely by limiting the number whose tastes and values would determine the nature of the ideal society, the utopian does not avoid making the two unwarranted assumptions. He merely makes them of another and smaller class of person. Very few egalitarians have admitted what is in fact implicit in the thought of very many of them, namely that the case for equality rests on the pecuniary interests of a particular class rather than the general interest of a society as a whole. But those who have admitted it (and Marx not only admitted but openly proclaimed it) have indeed had to make very large assumptions about the uniform desires of the chosen classes. They have had to assume not only that everyone who counts for anything in their political scheme is motivated by desire for more material wealth but also that they have very similar ideas about what they would like to spend their increased wealth on when they get it. Otherwise they could not possibly have argued that all these people would be happier under a system of centralised provision based on objectively assessed 'needs'.

The thoroughgoing egalitarian therefore has a very considerable practical and intellectual problem before him, which no historical experiment in utopian theory has succeeded in solving. He can create equality by a single act of levelling. But the market mechanism by which some people profit by perceiving and satisfying other people's needs would quickly give rise to new inequalities. Therefore he must destroy the market's mechanism or remove the possibility of personal enrichment which powers it. He must transfer the functions of the market to public bodies. Clearly, when resources are finite public bodies cannot distribute them to

individuals in accordance with some subjective assessment which those individuals have made of their own 'needs'. There must be an objective assessment and it must be made by the distributing agencies and not by the beneficiaries. Yet if the needs of the beneficiaries (or defined classes of them) are to be measured by a common and objective yardstick, an assumption must be made that they are basically similar in all respects that matter. The person who seeks to distribute satisfaction to each according to his need therefore has no alternative but to assume that all the recipients will derive roughly the same amount of satisfaction of much the same kind from whatever measure of wealth is considered proper for them to have. Unless all men have basically similar appetites and values any attempt to define any particular distribution of wealth as 'fair' is therefore practically impossible as well as morally undesirable. It is bound to fail and will deserve to fail.

It should not be necessary to devote much space to making the point that mankind is not, in fact, as homogeneous as the egalitarian must perforce assume. It was Rousseau (of all people) who said: 'I am made unlike anyone I have ever met. I am like no one in the whole world.' Only the most basic physical needs of men are wants which they have in common. These are the only wants which arise out of their common humanity and although it is possible to say that other wants, such as 'pleasure' or 'happiness', are common to all men, this can only really be said if their wants are described in terms so vague as to have no discoverable meaning at all. Words like 'pleasure' or 'happiness' conceal not the basic similarity but the infinite variety of human wants, and the complete impossibility of measuring them by any common criteria. Money is not a common criterion because it is not a measure

of satisfaction, the same amount of money buying different degrees of pleasure depending upon the personality and tastes of the person spending it. The debate about equality is a debate not about the proper distribution of money but about the proper distribution of what money can buy. And when that debate takes place in an advanced Western society, what is being discussed is not the distribution of those basic goods which all men equally need, but the superfluities which some men desire more than others and some not at all. In that context, the notion of a 'fair' distribution has no meaning whatever.

These arguments are addressed not only to those who suggest that there is a just and fair distribution of wealth which ought to be brought into being by political manipulation, but to those who advance any social arrangement at all as being the mould in which society should be shaped. It is no business of the State to decide in advance what kind of society it ought to be governing and then to manipulate or frustrate known desires in such a way as to bring such a society into being. It must take its subjects as it finds them. It is means, not ends, which are the proper concern of governments. It is their proper function to provide a framework of laws and institutions within which men can pursue ambitions of their own devising, and thereby create whatever society is the natural outcome of the infinite variety of human tastes and personalities.

It is an unworthy evasion of a real problem to concentrate, as egalitarians tend to do, on the negative criticism of the existing social arrangements without being prepared to describe in some detail what the alternative arrangements would be like. What is the 'correct' length of the Procrustean bed? What is the 'right' amount of satisfaction for an

individual to have? Is it absolutely the same amount of satisfaction as the next man, or some different measure of satisfaction, and if so what measure and how is it to be calculated? If the objection to the existing state of affairs is that a more perfect state of affairs could be devised, then it is incumbent on those who make that objection to tell us what that more perfect state is. It is not enough to say that the Chairman of ICI or Mr David Frost or the Duke of Norfolk has too much and ought to have less. For unless the person who says so can tell us how much less these gentlemen ought to have and on what basis their income ought properly to be calculated, we are entitled to assume that there is in reality no basis at all on which their income can be described as 'unfair' other than personal animosity and resentment, fed by envy.

Earned Income and Deserved Income

Of the positive arguments for the fairness of a greater degree of equality, one—the cake-sharing or 'aesthetic' argument—deserves a special section and will get it in Chapter 5. But two others require consideration. The first is the familiar theory of the diminishing marginal utility of money, and the second is the theory that differences of income and wealth do not properly reflect the skill, diligence and effort of those who enjoy them. The first is wrong in fact. The second is right in fact but irrelevant.

The diminishing marginal utility theory holds that each successive act of consumption confers less 'utility' (i.e., satisfaction) than the last on the person who is doing the consuming. If we suppose that one man earns £2,000 net of tax in a year and another £10,000 net of tax, the 2,000th pound which the first man spends on the hire of a television set is

said to confer more satisfaction than the 10,000th pound which the second man spends on an electric cocktail-shaker. Therefore (the theory goes) the loss of the second man's 10,000th pound by taxation will mean less to him than the loss of the first man's 2,000th pound. This argument has done more than any other to supply an apparently rational and objective justification for progressive taxation, which was once regarded in John Stuart Mill's words as a 'mild form of robbery' and has now become an extremely heavy form of robbery. The question which it does not prompt but ought to is: Who is to say how much utility is conferred by each successive act of consumption? If all that was meant was that each successive act of consumption appeared marginally less satisfying to someone else whose economic circumstances were quite different, or that it was less enjoyable by some objective standard, then the theory of diminishing marginal utility and money would not get us very far. For it is scarcely meaningful to discuss the marginal utility of an act of expenditure save in terms of the satisfaction afforded to the person who would like to perform that act of expenditure and will do so if he can. Yet the theory assumes that a person will never measure the utility of the top slice of his income against the inconvenience of earning it, that is to say, against the security which he had risked or the leisure he had lost in acquiring the last pound. In practice, people will not work beyond the point at which the burden of the extra work exceeds the pleasure of the extra money.

Let us consider the example of two men wondering whether to work an extra day, over the week-end. One of them has an income before tax of £10,000 a year, the other £2,000. For the £2,000 man the extra day's earnings will enable him to hire a television set. For the £10,000 man the extra day

means an electric cocktail-shaker to show to his friends. Both of them decide to put in the extra day's work. The marginal utility of the cocktail-shaker is at least as great as that of the television set, since both are worth the inconvenience of one day's voluntary overtime. Indeed it may be that the £10,000 man is tired, having earned his £10,000 by working over the previous ten week-ends and most evenings too, or has a job which will make that extra day's work the more demanding. In that case the marginal utility of the cocktail-shaker will be greater than that of the television set, being achieved by even greater effort and inconvenience. The marginal satisfaction of money can never be smaller than the marginal dissatisfaction of earning it. Yet the marginal dissatisfaction and inconvenience of work does not decrease as we do more of it. If anything, it increases very sharply after a quite short time. In truth there has never been any evidence that the marginal satisfaction afforded by money decreases as one has more of it, and the notion is not even plausible in principle except perhaps in the case of a very small handful of individuals with no defined interests and practically unlimited quantities of unearned wealth. The foundation of an ambitious theory of economic behaviour on the experience of these persons does not appear likely to yield useful results.

The theory of the diminishing marginal utility of money is an artificial argument for redistribution, based on the measurement of satisfactions which are unmeasurable, and the comparison of experiences which are not comparable. It is a somewhat arid exercise, quite unlike the second argument which commands instinctive assent, namely that those who enjoy particularly large incomes or accumulations of wealth do not 'deserve' them. Leaving aside inheritance and gambling (of which more later), it is not usually suggested

that such people do not work for their material rewards, merely that the rewards are disproportionate to the effort involved. Now this argument is based on a factual premise which is quite correct. Rich men do not, on the whole, 'deserve' their rewards. They may in fact have worked very hard for them, so hard that they would have received the same rewards even in a system where rewards were distributed in accordance with effort. But the fact remains that they have been rewarded not for the effort itself but for the value which the consumer placed upon its results. If the same results could have been achieved with a minimal degree of effort (perhaps by somebody else) the reward would have been the same. This applies to every field of human endeavour except weight-lifting. What makes an action praiseworthy is the sacrifice of time and ease which went into it. What makes it valuable is its result.

It is difficult to see how things could be otherwise. Everyone's rewards are ultimately paid by someone else, usually the consumer but sometimes the taxpayer. That other person has no reason to value the moral worthiness of what he is paying for, no reason to praise the sacrifice and pain which was involved. What interests him is the value which the work has to him. That is why he is paying for it with the proceeds of his own efforts. No doubt some method could be devised of forcing him to pay more for it than it is worth to him, such as compulsory provision financed by taxation, or the artificial restriction of alternative sources of supply. But there is no way of avoiding the consequence that in both cases the effort of the producer is being rewarded at the direct expense of the consumer, and since the consumer's money is the product of his own work, the rewards of his effort are correspondingly reduced. Paying people according to effort rather than value

can only work by coercion, and even then it is merely a thinly disguised method of forcing some people to subsidise the standard of living of others; to pay them, that is, more than is warranted by their contribution to the satisfaction of other people's demands. Such a system would suffer from the serious economic disadvantages which result from the erosion of incentive and the ossifying of the existing pattern of production. But that is another argument. For present purposes, it is enough to note that it raises serious practical difficulties even if the social advantages are considered to outweigh the economic disadvantages. Clearly there is a limit beyond which payment by merit cannot be achieved even by coercion. Those who produce less added value than they receive can only do so for as long as others are willing to pay them the difference and are able to do so by producing more added value than they receive themselves. That is not likely to be very long without the permanent direction of labour or the creation of a single giant co-operative State engrossing a whole nation of hourly labourers receiving an assessed wage. It is always tempting to point to individuals who appear to earn more than they deserve and to use this fact as an emotional argument for equality. But it is not a convincing argument for equality unless the 'excessive' income of these people is a symptom of something wider which can be remedied politically. Otherwise complaints about 'undeserved' incomes are no more than crude personal abuse.

The remedy suggested is not only worse than the disease but incapable of producing the effect which is claimed for it. If effort and merit are to be rewarded, as well as praised, there must be some method of assessing it. In Britain every attempt at a workable pay policy has foundered on the failure to discover some objective and generally acceptable mode of

assessing merit (unsocial hours, 'special cases', etc.). For the fair wage and the just price has failed ever since the reign of the Roman Emperor Diocletian and the perplexed rumination of the medieval Schoolmen. There is no such thing as assessable merit. The Snark will always turn out to be a Boojum in the end.

To assess merit, one must consider not only the nature of a particular job, but the qualities of every individual who performs it. One must discover not only how great was his effort and sacrifice but how far his success was due to them and how far to inborn abilities for which he cannot claim praise, whether he has made the best use of his opportunities and what alternatives would have been open to him. One must in fact know everything of which he was capable, everything about the processes of his mind which render the same act more or less praiseworthy in him than in others. In a few cases, as with jobs which require nothing but pure muscular effort, some very approximate measure of merit might be devised; but in the vast majority of cases which would actually arise in a complex industrial society it would be impossible to do so, not just with precision but at all. When a man's job requires intellectual application or the fine exercise of judgement, how is one to distinguish between that part of his achievement which was due to matters which were within his control (such as effort) and those which were not (such as intellect)? When a businessman takes a risk which pays off to his advantage, how far is his moral entitlement to the proceeds of his judgement to be assessed? And if we are to assess it by reference not to its result but to what it cost him in anxiety, effort and time, then are we to pay an identical sum to the businessman who took a similar risk and failed? It is in fact precisely those jobs whose high rewards arouse the

strongest feelings of envy, which are the most difficult to fit into any scheme for the objective assessment of merit.

In practice it will be the feelings of envy and resentment, not the 'objective assessment' which will determine the results of such a process. Since the persons making the assessments cannot in the nature of things know enough to assess what a man has put into his work their prejudices are bound to enter into the question. There is nothing else they can go on except their prejudices. Rewarding individuals according to merit is therefore simply a grandiloquent euphemism for rewarding some people according to what other people think of them. A society constructed on that principle would be based on the exaltation of duty at the expense of initiative, of conservatism at the expense of innovation, and of drudgery at the expense of enterprise. Every man being guided by what other people thought he ought to do, none would innovate, none would step out of line, and none would have any personal responsibility for his act. The result would be a servile tyranny not only by our own definition of freedom but by almost any definition which could be imagined except perhaps that of the trade union leader, Hugh Scanlon, who recently gave it as his opinion that freedom consisted in 'following majority decisions'.

The truth is that we do and must reward people according to how useful they are, in other words according to the value which we put upon the services which they perform for us. Differences of income reflect the fact that some people are more useful than others. They provide services which people want more and are, for that reason, prepared to pay more for. In a free market economy without monopoly there are only five areas in which rewards do not reflect the demand for the results: force, fraud, inheritance, gambling and public

service. Except by one of those methods, it is not possible in a free market to acquire a disproportionately large amount of wealth without conferring a disproportionately large benefit on the consumer.

Now there are many to whom this statement will seem an extraordinary defiance of observed fact. Are there not people who devote dedicated lives to undeniably useful occupations such as labouring on the land or nursing in hospitals for a quite modest wage, and are there not others who earn ten, twenty, or five thousand times as much by wiggling their hips at pop concerts or marketing a new variety of electric cocktail-shaker? In many (although not in all) cases such questions are based on a misconception of facts. The entrepreneurial manufacturer of cocktail shakers may have spent many penniless years seeking a market for his goods before prosperity rewarded him, years during which the nurse and the farmworker were secure in the receipt of a regular income. Their life-long earnings may not differ much. For every successful entrepreneur there are many who are unsuccessful, whereas no nurse goes without a wage. The average earnings of entrepreneurs as a whole are not necessarily higher than those of nurses as a whole. However, there are undoubtedly cases in which apparently worthy occupations are less well rewarded than apparently worthless ones. Humanity being what it is, the services of the latter class are far more highly esteemed than those of the former. The number of people who are ready and willing to give devoted service on farms or in hospitals is, fortunately, quite large. The number of people able and willing to take the risk of perceiving and satisfying the market demand is, on the other hand, very small. It may be that the nursing profession as a whole performs a more valuable service than the pop-singing industry as a whole;

but the same cannot be said for their individual members. When we say that a nurse is more useful than an inventor of electric ice-crushers, what we really mean is that her life is more morally admirable, which is true but, as we have seen, irrelevant. Those who go on to say that she is not only admirable but more valuable, probably mean, if they pause to consider their words, that she ought to be more valuable. People ought to value her services more, just as people ought to value individual bakers more than individual confectioners, authors more than printers, builders more than property developers and producers of basic and necessary goods more than importers of extravagant fripperies. But they do not. The fact that the latter are always better paid than the former reflects the truth that others are prepared to pay them more.

One Man's Choice is another Man's Fortune

A service is 'worth' precisely what a free agent is prepared to pay for it and not a penny less. What this means is that a person is morally entitled to everything he can acquire from free agents by honest means. In other words, he is morally entitled to everything he can acquire without monopoly, force or fraud. A society is not entitled to question an individual's right to retain money honestly acquired from free agents, when it is that society (or rather the sum of its individual members) which has itself conferred the money upon him.

A simplified example will illustrate this. An orchestra hires a hall with a capacity of a thousand for a concert. At £2 per seat, the public can be induced to fill half the hall to hear the concert. Gerbert von Charabanc is a celebrated conductor whose attendance, in place of the orchestra's resident con-

ductor, will ensure that every seat is taken even though £5 is charged. Knowing this, von Charabanc insists on receiving a fee of £3 from each ticket sold and thereby earns the immense sum of £3,000 for a single evening's work, more than all the players combined. Now let us consider on what basis that fee could be regarded as unfair or wrong. A thousand people voluntarily confer £3 each upon von Charabanc by paying the extra price for the seats. Each of them is ready to work an hour overtime or sell his copy of R. H. Tawney's *Equality* to a secondhand bookseller in order to raise that £3. That is what von Charabanc is worth to each of them. There is no moral case for forcing von Charabanc to conduct for less, because each person in the audience is getting pleasure from the performance which that person values at £3. Otherwise he would not have paid it. To force the conductor to cut his fee would be to substitute for the valuation of the people actually enjoying the benefit the valuation of somebody else. And since all valuations involve weighing the pleasure received against the burden imposed, that somebody else is unqualified to pronounce on the question, having neither received the pleasure nor borne the burden.

People are oddly inconsistent in the extent to which they are prepared to accept these consequences of their own decisions. As a matter of fact they do, on the whole, accept the redistribution of wealth in favour of high-earning musicians who produce music which people enjoy, although they do not find it easy to tolerate the enrichment of businessmen who have provided them with pleasure by some other method, for example, by hiring out chairs to concert halls. No doubt this is an understandable foible. In von Charabanc's case the connection between pleasure conferred and riches received is immediate, direct, visible and entirely obvious. In

the case of the man who hires out chairs several further acts of choice are interposed, not all of them made by the same people. There is the audience which chooses the orchestra and its conductor, the orchestra which chooses the concert hall, the concert hall which chooses the company hiring out the chairs, and the company which chooses the well-paid managing director who is enriched by its prosperity. Yet the direct choice of von Charabanc and the indirect choice of the managing director are equally the cause of their enrichment and are equally the result of countless individual preferences. The same is true when a man is enriched by a public preference for his make of digital watches over copies of Tawney's *Equality*. It may be that their preferences are deplorable, but it cannot be denied that they are preferences. If it is right for individuals to have money at all, it must be right for them to spend it as they wish. And if a society wishes to confer ten concerts upon itself and £30,000 upon von Charabanc, it has no right to object to the distribution of wealth which results.

What renders a particular distribution of wealth 'fair' or 'unfair' is not the distribution itself but the manner in which it arose. Since inequality arises from the operation of innumerable individual preferences it cannot be evil unless those preferences are themselves evil. Moreover, it could not be abolished without frustrating those preferences, an exercise which is as restrictive of the freedom of consumers as of producers. This would be so whatever the nature of the society in question. Suppose that the ideal distribution of wealth in our society was one which conferred an absolutely equal amount of wealth and income on each adult individual. Suppose further that each individual chose to spend £3 of his allotted share on attending a concert conducted by von Charabanc. If these individuals are permitted to spend their

money as they prefer the society will very quickly cease to be absolutely equal; von Charabanc will have more than anyone else. But if the original distribution (one of absolute equality) was just, and people exercised the benefits allotted to them thereunder by voluntarily moving to a new distribution (in which conductors have more than anyone else) how can the new distribution be wrong? If the old distribution was right and led inevitably to the new distribution, then the new distribution is also right.

This is a problem which can only be avoided by arguing that because a particular distribution of wealth is morally right it is wrong for individuals to spend their money in such a way as to alter it. In spending money on their leisure it is their duty to consider not which goods and services they want but rather the relative economic position of persons supplying them. This would be a logically coherent argument, and those communist governments which forbid capitalist acts (e.g. by moonlighting plumbers) even between consenting adults in private, do at least accept the logic of their principles. But the practical as well as the moral objections to it require no elaboration.

Whose Choice?

In fact egalitarians do not often argue that freedom of choice is wicked, whatever may be the conclusions suggested by egalitarian practice. They are more likely to suggest that the freedom of choice conferred by the free market is an illusion, that it has no substantial existence and that nothing would be lost by abolishing it. By denying the very existence of free choice, they deny that inequality is its necessary result. In the West this theory comes in two forms which one can conveniently call the Marxist theory and the Galbraith

theory (other champions could have been named on the labels). The Marxist theory asserts that men's apparent wants are conditioned by their social and economic condition. Beneath their apparent will there lies another will which is suppressed by the shackles of their condition. If only they could be freed from these shackles their true personality, their real self, would express itself and their wants would be very different. The Galbraith theory is simpler by comparison and, no doubt for that reason, has proved more influential. Consumer preferences according to this view are quite simply fabricated by producers, chiefly by advertising and by manipulating the retail market.

Both theories seem highly questionable as statements of fact. The large queues which form in the Soviet Union whenever durable consumer goods are on offer suggest that the preferences of reasonably well-educated consumers are much the same the world over, whether or not they are subjected to the 'indoctrination' by producers which is said to be characteristic of the capitalist free market. Many Western capitalists would certainly be astonished to learn that demand can be fabricated to meet supply, and one can understand their surprise. If the theory holds good it is rather difficult to understand why there are such things as slumps, losses and liquidations. A more modest theory might be less obviously leaky. Perhaps only some producers are able to fabricate only a certain amount of demand. But even if this is true, it hardly amounts to very impressive evidence of the manipulation of wants. Terms like 'manipulation' and 'indoctrination' are merely hate-words employed for the purpose of suggesting that consumers are coerced when in fact they are merely persuaded. The existence of persuasion, even when it is successful, does not render the consumer's freedom of

choice illusory unless there is something which makes it impossible to resist that persuasion, as if the mere advertisement of a particular brand of washing powder has some hypnotic effect depriving the beholder of his will.

Both the Marxist and the Galbraithian assaults on the concept of consumer choice wrongly assume that because a man has a reason for wanting a particular thing he cannot really be said to want it at all. But the fact (if it be a fact) that a man wishes to buy a bottle of brandy because he is the kind of middle-class person who likes brandy, or because he has come to identify himself with the handsome Napoleonic figure seen consuming it in glossy advertisements, does not make his desire for it any less real. We all have a reason for wanting anything, whatever the economic organisation of our society, and the fact that it is a bad reason does not mean that it can no longer be regarded as our own. Neither is it to the point that in a different kind of society we might want something else. This is probably untrue and certainly unimportant. The monstrous suggestion that because we are influenced (or even controlled) by the environment in which we live the choices which we make in that environment can properly be ignored and no longer regarded as choices at all, is capable of being used in support of any despotism which finds it convenient. No one should allow himself to be led to that conclusion by his instinctive dislike of the crudeness and vulgarity of advertising, however understandable that dislike may be. People do buy electric ice-crushers. One can argue that they should not want such things, but one cannot argue that they do not in fact want them. And so long as they continue to want them there will be the prospect of profit and enrichment for those who make it their task to satisfy such wants.

Fairness is a vague word, too vague perhaps to bear any

ascertainable meaning. But if its real meaning cannot be discovered it is at least possible to say what it does not mean. It is not 'fair' to take away from others benefits which they worked to acquire. It is not 'fair' to take back by compulsion rewards which have been voluntarily given in exchange for real benefits, after those benefits have been enjoyed. Neither is the concept of 'fairness' synonymous with the concept of investigating other people's affairs in order to detect departures from the way of life which one considers proper for them. Fairness is not the same thing as intolerance. It is not envy or grudgeful resentment. It will not carry the load of political malice which has been cast upon it.

IS INEQUALITY AGAINST NATURE?

At the root of our present preoccupation with equality is the instinctive notion that differences somehow need to be explained and justified. But although this is very frequently asserted there is no obvious reason (or even an obscure reason) why it should be so. Why should equality be the rest position of the system? Why should it be the point of reference from which any existing distribution of resources must be measured? Why should any particular distribution be regarded as a point from which departures seem unpardonable and anomalous? In a community of a hundred persons in which there is to be found a thousand apples, why is it reasonable or right that a given ten people should own ten apples each but unreasonable and wrong that they should own seventeen or twenty-five apples each? What is it about the mathematical process of dividing a thousand apples by a hundred persons which confers a special legitimacy on the possession by a particular individual of ten as opposed to some other number of apples? And if ten apples is the right and proper number for an individual to have if there are a thousand apples available, why is it a wrong and improper number if there are only five hundred, assuming that the minimum number of apples necessary to sustain human life is, say, two?

'A system founded on inequality is against nature,' thought the Victorian prophet and sage Matthew Arnold. The very word 'system' betrays his thoughts. Arnold was

typical of the many egalitarians for whom inequality was a contrivance, a fraud deliberately worked by powerful men in their own interest. And the corollary of this startling proposition was that an equal society of a kind which had never existed in the recorded history of mankind save among the most primitive nomadic hordes, became the norm by which all advanced societies were to be measured and judged. Only when one remembers this striking sleight of hand is it possible to understand why Professor Atkinson for example should have found it unnecessary to devote more than one page of a book wholly concerned with describing real or imagined inequalities*, to explaining what was wrong with them. Nor is the explanation very convincing when at last we come upon it at page 78. It amounts to a quotation from another writer to the effect that equality 'has a particularly powerful aesthetic appeal such as is exhibited for instance by the golden section of a line'. Professor Atkinson has plainly forgotten that the powerful aesthetic appeal of the golden section is due to the fact that the two parts are unequal. What is also plain, and more important, is, in the Professor's view, once one has proved that inequality actually exists the only intellectual exercise which remains to be performed is the consideration of alternative methods of eliminating it.

Cakes: their Use and Abuse

The Professor's view rests ultimately upon a false analogy between the distribution of wealth and the sharing out of cakes, which frequently adorns editorials and political speeches. The analogy runs something like this. If a mother has baked a cake for her five children and she divides it into five equal parts, nobody will expect her to justify this division.

* A. B. Atkinson, *Unequal Shares: Wealth in Britain*, revised edition (1974).

Only if she divides it unequally will an explanation be expected. The explanation may be that the largest slice goes to the best-behaved child, or to the neediest, but explanation of some sort there must be. What, asks the egalitarian, is the explanation for a distribution of national wealth which accords neither with perceived merit nor with need? This might be a fair point if wealth were created by societies and distributed to its members, instead of being created by those members and taken by societies. The fundamental assumption of the cake sharers is that the wealth which exists in a society at any moment is given. It has not been created. It has simply appeared. Its distribution to this individual rather than that one is basically a matter of largesse. This is perfectly correct in the case of the mother and her five children, for the children have indeed had no part in the creation of the cake. Their function is simply to consume it. But can it be said of a modern industrial society that all wealth is given? Is it true of such a society that the population at large has no other function than that of consumption? Unless Yes is the answer to both of these questions, the picturesque analogy of the slicing of cakes is a false one.

In reality the question is not whether, if five people are to receive a cake by largesse, each should have an equal share in it. The question is whether, if each of these five people has provided his own flour and baked his own cake, and if one of them has baked a larger cake than the others, that person ought to be made to give a slice to them. In answer to that question most civilised societies have said that there may be certain circumstances in which he ought indeed to do so. If the most basic needs of the poorest, measured by some absolute and not relative standard, cannot be satisfied by the amount of wealth which they have, then it would probably

be generally agreed that the richest should help them out. That is a sentiment which we share although we do not underrate the practical difficulties and real injustices that result when those who struggle for their subsistence are scarcely any better off than those who collect it from the State. But it is a long way from that to an *a priori* assumption that all cakes, large and small, should be confiscated, placed in a central store, and then handed out without regard to the different contribution of individuals to their manufacture.

Yet *a priori* assumptions of this kind have become sufficiently powerful to pervade the very vocabulary of political thought. People speak unselfconsciously of 'redistribution' as if the existing arrangements were somehow the result of 'distribution'. Economic differences become more than differences, they are 'inequalities', departures from an equality that is assumed without argument to represent a perfection that greed has destroyed. These arguments are sustainable only if one makes two highly questionable assumptions. The first of these is that an individual has no right over his own talents, no prior claim over the added value attributable to his superior achievement. The second questionable assumption is that those talents and that superior economic capacity are the collective property of the community in which he lives. Only on this basis can the fruits of the productive process be regarded as given, and the problems of distributing it likened to the distribution of heavenly manna or the slicing of cake. We shall have something to say about this theory elsewhere. But it is worth setting out the proposition here for there are many who intuitively accept the cake-sharing analogy but who would nevertheless be repelled by so bald a statement of collective tyranny at the expense of individual autonomy.

The cake-sharing argument is not in fact an argument of

moral philosophy. It is an argument about economics. Justice is not 'obviously' served by removing assets from those who have contributed more to the wealth of society, solely in order to give it to others who have contributed less; not, that is, unless one regards all large fortunes as appropriated from the common stock or illegitimately acquired in the first place, as extorted rather than earned. There is no doubt that some people do indeed think this. But a few moments of honest reflection would surely persuade them otherwise. To say that differences of wealth are unearned is not an argument in favour of equality; unless one also happens to believe that if those differences were earned individuals would end up with much the same amount of wealth. In other words the whole basis of such an argument is that economic aptitudes are equal. But if economic aptitudes were in fact equal there would be no need for 'redistribution' provided that no artificial barriers restricted economic achievement. In a free market economy without a monopoly all men exercising their equal capacities would acquire a roughly equal amount of wealth. The only differences would arise from inheritance, gifts or gambling. It is perfectly true that there are those who deny that a truly free market can exist in a capitalist society, and who are therefore able to convince themselves that economic aptitudes are indeed equal notwithstanding the evidence before their eyes. But these beliefs seem disingenuous as well as mistaken, for it is precisely because people with disproportionately great economic capacities acquire a disproportionately large amount of money in a free economy that we are urged by egalitarians to institute in its place an unfree economy subject to political direction.

The notion that all men are the same except that some happen to have more money than others is simply untrue, and

is implicitly recognised to be untrue by everyone who suggests that a controlled economy is a route to an equal society. By and large differences of wealth do represent real differences of economic aptitudes; they also reflect real differences in the value of individual contributions to the total wealth which exists in a society. This does not necessarily mean that every man is entitled to the wealth that he has got. What it does mean is that he owes it to his own talents, not to the society in which he lives, and if somebody else proposes to take it away from him, it is incumbent upon that other to advance some satisfactory reason for his proposal. The aesthetic pleasure afforded by the prospect of equality is not a satisfactory reason.

A Theory of Justice

More formidable and better thought out than the cake-sharing approach is the argument for equality advanced by the American thinker John Rawls whose book, *A Theory of Justice*, is among the most interesting works of academic political theory of this century. Unlike the cake-sharers Rawls really is advancing an argument of moral philosophy. He believes that there are two rules of justice by which social organisations may be tested. First, every person must have as much political liberty as can be reconciled with an equal amount of liberty in everybody else; secondly, inequalities (especially those of wealth) must not exist unless they incidentally benefit the worst-off members of society. Rawls comes to this conclusion by an ingenious route. He imagines a group of men deciding to constitute a society and meeting to resolve upon the principles of its organisation. In order to ensure impartiality he imagines that each of them is wholly ignorant of his own personality. All the participants in Rawls' imaginary congress are temporarily deprived of self-knowledge

they know nothing of their own ambitions or of any special capacity which they may have for achieving them. These things are hidden behind the 'veil of ignorance'. The only human characteristics which they are aware of having are those which all of them have in equal measure. This Rawls calls the 'original position'. Starting from such a hypothesis, Rawls advances two arguments. He argues, first, that his imaginary men in the 'original position' behind the 'veil of ignorance' would, if they acted entirely in their own interest, choose Rawls' two rules of justice. Secondly, Rawls believes, or rather he assumes, that this is a good argument for using the two rules as a yardstick for measuring the justice of contemporary social institutions.

None of this proves that equality is just, because it might still be the case (as we believe that it is) that the existence of wide differences of income was in the interest of the worst-off members of society and not only the richest ones. What Rawls is really saying is not that equality is always right, but that one should start off with the presumption that it is right and refuse to countenance any inequality unless some good reason is advanced for putting up with it. If Rawls is right, then it may be that we should indeed look upon equality as the natural state of mankind notwithstanding that there is scarcely any instance in recorded history in which mankind has actually experienced it.

But is Rawls right? It is impossible to discover and pointless to discuss what men would in fact choose if they found themselves in Rawls' 'original position'. Rawls' guess is as good as ours. But it is worth pointing out that Rawls' guess is not a neutral one. He has loaded it with some large assumptions about human nature, the first and most striking of which is that men do not gamble on their own ability. Rawls'

men are very cautious and conservative people. They do not favour a competitive society if they think that there is a risk of their losing the competition. Rawls also assumes that although his imaginary men behind the veil of ignorance are possessed of wisdom if not of self-knowledge, they would have no moral preferences. They would not, for example, start out with a subjective preference for individual over collective decision-making. Rawls simply ignores the possibility that they might think that it was morally admirable that men should take their destiny in their own hands. It is difficult to see what justifies either of these assumptions. Experience suggests that men do in fact gamble on their own abilities, and that they do frequently have moral preferences in politics which have little or nothing to do with their personal interests. If this were not so, the history of political theory would be shorter than it is, for authority has certainly been more often justified by its intrinsic moral rightness than by any consideration of utilitarian and personal advantage. For most of human history intelligent men have advanced and others have unquestionably accepted some variant of the doctrine of the divine right of kings. The intrinsic rightness of majority rule (i.e., regardless of its actual results) is asserted with equal certainty today. It therefore seems reasonable to suppose that Rawls' men in the original position would in fact consult not only their own material advantage but their moral principles before deciding what was in their 'interest'. Some of them might well express a moral preference for equality, but the variety of other opinions would be as great as the variety of men asserting them. The idea is absurd that out of such an unusual colloquy there would emerge some unanimous consensus representing the true moral perceptions of Man untainted by original sin.

It is, moreover, rather difficult to see why it matters what sort of society men would choose if they knew nothing of their talents and ambitions. Many political theories have started with the hypothesis of a 'social contract' (we use the phrase in the sense meant by Hobbes, Locke and Rousseau, rather than that of Sir Harold Wilson). But in each case what was being suggested was that because men have agreed to be ruled thus and so, they should be held to their agreement. The difficulties of sustaining that argument are not our concern here. It is only necessary to point out that a hypothetical social contract is not quite the same thing as an actual one. The fact that Tom, Dick and Harry have actually agreed to conduct their lives according to Rawls' two principles of justice may be a good reason for forcing them to do so. But the same could not be said if it turned out they had not actually agreed, but only would have agreed if they had been consulted under highly artificial conditions in which they have never, as it happens, found themselves. Suppose, by way of analogy, that Tom is the owner of a sombre painting by an anonymous hand, which he would gladly have sold to Dick for £1,000 had Dick offered him that sum this morning. Tomorrow the 'veil of ignorance' is lifted and Tom discovers that it is a lost masterpiece by Rembrandt worth at least £2 millions. He should surely not be made to sell it for £1,000 simply because that is what he would have done in different circumstances at another time.

Rawls is really articulating by his theory of the 'original position' a belief which is instinctively held by many egalitarians. What is being said is not that we ought to impose equality because we would have agreed to it had we been ignorant of our own bargaining powers: he is saying in an elaborate and circuitous fashion that equality is so obviously

and naturally just that only a combination of self-interest and self-confidence would induce anyone to oppose it. The 'original position' is in fact not an independent reason for supposing that equality is natural. It is a mere rhetorical device for drawing our attention to the dishonourable reasons why enforced equality is in fact opposed: the only reason for opposing enforced equality (so the argument goes) is an improper reason, namely that its opponents know their own aptitudes, want more than others, and think that they have the power to get it. As Rawls himself put it, the object of the exercise is to reach 'a conception of justice that nullifies the accident of natural endowment'. But Rawls' rhetorical device does not get us anywhere unless we happen to agree with him that nullifying the accident of natural endowment is a good thing to do. Certainly one cannot assume that it is a good thing to do (as Rawls does) without begging the very question in dispute.

Abolishing the Wheel of Fortune

We come now to what is truly the central plank of the egalitarian case. Because (so it is said) inborn inequalities are the result of the 'accident' of natural endowment and not of any moral merit in the successful, it follows that it is incumbent upon a society to 'nullify' that accident and any failure to do so calls for explanation. This is a rather different argument from the familiar one already discussed which declares that material rewards should correspond to the moral excellence of a person's intentions measured by the effort or hardship associated with his place in the productive process. We are concerned with another argument, namely that equality is natural because inequality is due to luck, and this applies as much to the inequality which arises from a

man's good fortune in being endowed with intelligence and skill, as it does to that form of inequality which comes from his luck in having the virtues of industry or toughness. Equality (it is said) is natural to mankind because men are of equal moral worth even if for some reason they are not of equal economic value.

There was a time when this would have been regarded as a false dichotomy. Wealth has very commonly been regarded as God-given and the possession of it as the surest indication of divine favour. Even where this crude view has not prevailed, admiration of success has often led to the confusion of economic value with moral worth. The conventional wisdom in the 19th century was that they were the sides of the same coin. 'The poor are poor because they are vicious,' as a character in one of Mrs Gaskell's novels was heard to say. And if the poor were vicious, the rich were correspondingly virtuous. Success was achieved by the cardinal virtues of energy, prudence, diligence and thrift, all acquired by training and personal discipline, a point which was ceaselessly repeated in the standard defences of capitalism read in Victorian England, such as Samuel Smiles' *Self-Help*. It is a notion which is plainly untrue as well as morally repellent. Hard work is often an essential ingredient of success, but on the whole there is no particular moral merit in the acquisition of wealth. One need not go so far as Jonathan Swift, who observed that one may judge what the Lord thinks of riches by considering the kind of man on whom He thinks fit to bestow them. It is enough to say that moral worth neither helps nor hinders economic success but is entirely irrelevant to it. If dons earned twice as much as plumbers a century ago and half as much now, the change has nothing to do with the decline of their individual moral worth, it is simply a reflection

of the declining demand and increasing supply of their services. As David Hume observed, 'The external performance has no merit; we must look within to find the moral quality. The ultimate object of our praise and approbation is the motive that produces them.'

The point has often been made, and rightly made, that to bring material rewards into line with moral merit cannot be done without impoverishing everyone and quite frequently cannot be done at all. But here we are concerned with a different question, namely should it be done even if it can be?

The enormity of 'nullifying' the advantages of talent is often obscured by loose choice of euphemistic language. Not even the most vigorous opponent of enforced equality would suggest that economic privileges be conferred upon the talented. Nobody is advocating that they be set apart for favoured treatment by the State. Although it is perfectly true that the talented few do not owe their talents to their own merit, neither do they owe them to the institutions of the society in which they live. That they may be physically incapable of keeping their assets without the protection of the State is undeniable. The great 18th-century jurist William Blackstone once observed that though private property was founded in nature 'the method of conserving it in the present owner and of translating it from man to man are entirely derived from society'. But it does not follow from the fact that the State protects the private ownership of assets that it may justly dispose of them as it wishes. The State protects individuals from being assaulted and killed but it does not follow that the State is at liberty to assault and kill them itself. If there is a moral justification for differences in private wealth then there is a moral justification for protecting those differences through public institutions. If there is no moral

justification for such differences then there is no moral justification for protecting them. In either case we have to start with the question what is the moral case for and against the private acquisition of wealth, and the fact that the State is necessary to its protection points neither one way nor the other.

Individuals may owe the retention of their wealth to the State but they owe its acquisition to themselves. What is meant, therefore, by nullifying the accidents of natural endowment is the positive intervention by those institutions to deprive them of advantages which they owe to luck. Why is this self-evidently justified? It may be true that the possession of special ability is not morally admirable; but in order to justify active intervention to compensate for advantages it would have to be shown that they were actually offensive. A person who has won the pools or whose Premium Bond has come up may not deserve our admiration, but it is difficult to see why he should deserve obloquy instead. Luck is a neutral factor which cannot be either meritorious or objectionable. It is not a reason for political intervention in either direction. It is an irrelevance.

Let us accept for the sake of argument the premise and assume that men have no right to what luck has conferred upon them. If this proposition is true, it cuts both ways. The talented few have no right to their wealth because they owe it to their good fortune in being talented; but the untalented many have no right to it either, because in their hands it would be a benefit due solely to their good fortune in being born into a society where there were talented men available to be mulcted. If we are in the business of distributing assets according to merit, let us ask ourselves why it is any more meritorious morally to be born five miles away from Henry Ford than to be Henry Ford. And why for that matter, a man

is more morally deserving for being born into the same society as Henry Ford than he would have been had he been born in India. If we accept for a moment the proposition that the possession of greater wealth acquired by luck is morally wrong, we may have a good reason for removing the excess from the rich and then destroying it. But we cannot possibly have a good reason for redistributing it to others who are no more morally deserving than the rich from whom it was taken. And if we nevertheless assert that we do have a good reason for distributing it to those others, then we must find that reason not in the proposition that accidental wealth is undeserved but in some other proposition which the advocates of equality have not yet seen fit to indicate.

If one does regard it (and many do) as intrinsically offensive that some should be more favoured by fortune than others, this feeling can only be described as a prejudice in the technical sense of that word: i.e. it is a judgement that has already been made before the argument has begun. It is not based upon the view that equality is natural and departures from it require explanation. It is based on what Professor Atkinson has justly called the 'aesthetic' case for equality and that is not a case at all but a mere glorification of personal whim on the part of those who subscribe to it. But it is worth pointing out that even if an aesthetic prejudice in favour of equality were relevant, it would not justify nullifying the accident of natural endowment. The natural endowments of this or that individual determine not only the extent to which he can be successful in life, but also the extent of his needs.

A person who is capable of achieving more may also have a greater capacity for satisfaction. To intervene to ensure that he gets no more than the next man is to allow him less satisfaction in proportion to his capacity than others have.

In no meaningful sense can this be described as equal treatment. This is a problem which is imposed by the very variety of human tastes, ambitions and aptitudes which it is sought to nullify. Let us suppose, for the sake of argument, that the language of rights is appropriate in this context and that every man is 'entitled' to equality of personal fulfilment. The accident of natural endowment may have made of one man a particularly talented pop-singer or an unusually skilful businessman. He will require a far greater income in order to achieve personal fulfilment than will another who has not been so well favoured by nature and who will be more easily fulfilled. It is not only that the most talented individuals will quite frequently have minority tastes which are more than usually expensive to satisfy. Each of them knows the material standard of living which the demand for his services makes it possible for him to achieve. His knowledge of his superior abilities makes him conscious also of his superior capacity for acquiring the means of pleasure from people who voluntarily avail themselves of his services. It cannot be said that he achieves personal fulfilment if others intervene to prevent him from achieving that material comfort and happiness which he knows that he can attain. If he is to achieve equality of satisfaction he must be allowed, so far as is consistent with the rights of others, to achieve everything which he knows himself to be capable of achieving.

Those who speak of nullifying the accidents of natural endowment commonly confine their attention to the material reward which those accidents confer upon the lucky few. But there is no logical reason for doing so. Money is an important source of satisfaction but it is very far from being the only source. Even if one succeeded in nullifying all the financial advantages, others would remain. If the egalitarian

programme required an absolute equality of satisfactions regardless of each individual's capacity for personal fulfilment, then why be content with the equalisation of financial satisfactions? An intelligent sensitive individual will derive pleasure from things which bore his less sensitive neighbours. Others may have fine voices, beautiful faces or enviable good health. Are these not all 'accidents of natural endowment'? The logic of this argument was accepted by the invisible dictator who dominated L. P. Hartley's *Facial Justice*, a celebrated satire on the egalitarian society in which it became a moral duty for those with particularly ugly or lovely faces to undergo corrective surgery in the State-run Equalisation (Faces) Centre.

This is the logical conclusion of egalitarian thought to which no egalitarian will in fact go. Now it is not, of course, a very powerful objection to a political theory to say that its exponents apply it inconsistently. A believer in nullifying the effects of luck may have many excellent reasons (such as political convenience) for applying his opinion to money but not to any other source of satisfaction. But his inconsistency does suggest one important conclusion about the nature of his opinion: namely, that it is not really an opinion about the wickedness of luck, but an opinion about the wickedness of money or at any rate about the wickedness of the things which rich people tend to spend it on. Prudish objections to luxury and sanctimonious attempts to define the wants which men 'ought' to have, these are usually the stuff of egalitarian sentiment even when they do not surface in egalitarian rhetoric. In practice the argument that equality has no need of justification because some special moral sanction attaches to it is little more than the hasty rationalisation of more traditional puritanisms.

A Right to Equality?

Almost all the more serious attempts to make equality seem natural turn out to be based on some preconception about what men would be like if all the factors making for rivalry and ambition were removed. Such attempts not only raise an unanswerable question of fact; they fundamentally misconceive the proper function of a political society. A political society exists for the very purpose of reconciling those competitive instincts. To suggest that its organisation can be based on the supposition that they do not exist is a travesty of an intellectual exercise. Man has fallen. Original sin exists. The question is not what is perfect justice; it is what is the most perfect justice of which men are capable who do not in fact live behind the 'veil of ignorance' but are aware of their capacities and anxious to make use of them.

Nevertheless it is not idle or irrelevant to ask what is the 'natural condition' of mankind. What is the social condition departures from which ought, in a political society, to be explained and justified? Not only does it affect the burden of proof, an important matter since egalitarians tend to assert that their views require no proof. It is also some indication of the amount of coercion which would be necessary to bring an equal society into being. For if the personalities of men are such that inequality is natural to them, and their personalities cannot be fundamentally changed, then it must follow that the degree of coercion required to create a quite unnatural degree of equality would be very great indeed, and the period of time during which that coercion would be necessary would be very long. To those who believe that the ends always justify the means none of this will matter very much. But it ought to cause concern to those many honourable individuals

who seek to combine their egalitarianism with a measure of respect for the autonomy of individuals.

A society of autonomous individuals is the natural condition of mankind. That is not to say that such a society should never be transformed into something different, but merely that those who suggest such a transformation have a duty to produce some proper and cogent reason for it. This is because individuals are prior to societies and have rights independent of them. The idea of the state of nature, so beloved of 18th-century political theorists, is a historical myth, but like many myths it expresses an important truth which is not clearly expressed in any other way: that men have certain characteristics which are 'natural' in the sense that they have those characteristics whether they live under governments or not.

Men are so constituted that it is natural to them to pursue private rather than public ends. This is a simple matter of observation. The duty of governments is to accommodate themselves to this immutable fact about human nature. Their object (and one must assume the original purpose for which they were created) is merely to avoid the inconveniences which attend the uncontrolled pursuit by private individuals of private ends. In the absence of government men would have certain ambitions (such as the acquisition of wealth for themselves) which are natural to their humanity. They still have those ambitions when they come to live under governments. It is no part of a government's function to disapprove of those ambitions or to seek to change or frustrate them, for it owes its existence to them. Men have a natural right to their ambitions because it was not for the purpose of abolishing competitiveness that they submitted to government; it was for the purpose of regulating competitiveness and pre-

venting it from taking violent, fraudulent or anti-social forms. It is in fact only the inconveniences which arise from the existence of numerous and conflicting rights, which make government a sensible solution.

The *raison d'être* of governments is the furtherance (not the suppression) of human ambition by reconciling the competing interests of individuals at the points where they would otherwise erupt into physical conflict. Why is it a legitimate function of government? Because it is accepted as legitimate by both parties to the potential conflict. Both of them appreciate that without the regulation which government provides neither would be in a position to achieve their ambitions or to secure what they already have. Obviously, if government prevents Tom from invading Dick's property, Tom's liberty is to that extent infringed. But the justification for that infringement is that it is necessary in order to safeguard a right to property which both Tom and Dick have, and which both Tom and Dick agree in recognising it is the duty of governments to protect. The government's intervention on Dick's side does not therefore show any bias in Dick's favour but is merely the equal enforcement of the natural right common to both of them. Very different is the position of a government which intervenes to redistribute wealth. That government has made an *a priori* decision that the interests of some of its subjects should be preferred to those of others and wealth transferred from the former to the latter. No one has ever suggested that such a decision is based on a principle in which the victims of redistribution concur. It is simply the transformation of government from an instrument for the enforcement of shared principles into an instrument by which part of the population imposes its principles on another part.

Such a transformation would be unpardonable unless perhaps there were such a thing as a natural right to equality which existed quite independent of poor Tom's desire for some of rich Dick's money. But there is no such right. There may be a natural right of equal opportunity (upon the same economic terms as everyone else) to exploit one's own talents, but there cannot be a natural right to the fruits of other men's talents. And if those other men in the exercise of their right of equal opportunity accumulate more wealth than anyone else by virtue of their superior economic capacities, nobody's rights are infringed.

If there is no natural right to equality the only possible justification for the redistribution of wealth is that it is in the interest of everybody. The mere fact that it is in the interest of those who could benefit by it is not a good enough justification for redistribution and it makes no difference that those who would benefit are in the majority (we are discussing what is just, not what is constitutionally possible). Redistribution, after all, involves the State, which is the delegate of all citizens, in discriminating in favour of some and against others. Unless there is some natural right to equality (which there is not) such discrimination can only be justified by reference to criteria which both groups recognise as valid. There are some criteria which both groups do in practice recognise as valid and which do justify a limited measure of redistribution. For example, it may be that the rich recognise that their interests are served by political stability and that political stability can only be had if the differences between rich and poor are kept within bounds. If so, then redistribution is justified to the limited extent that it is necessary for the purpose of achieving that object. But its justification goes not one inch further.

This sounds a great deal more shocking than it really is. For it is only another way of saying, first, that equality ought to be justified by its proponents and, secondly, that it ought to be justified by reference to some benefit conferred upon the community as a whole (not just that part of it which stands to gain financially). It should become clear, on reflection, that our apparently shocking and offensive propositions are in fact quite compatible with the more considered arguments for equality such, for example, as those advanced by Anthony Crosland. The supposed economic advantages of narrowing class differences, the political benefits of preventing destitution, the suggestion that a society without differences of wealth will be a more contented one, are all legitimate arguments for equality based on the belief that society as a whole will benefit from it. They are legitimate arguments but they fail on their own terms. For class distinctions will not evaporate when we all own the same amount of money. Equality will not relieve destitution but will spread it equally. Equal societies are not contented ones but wretched societies based on the frustrations of ordinary human instincts.

LIES, DAMNED LIES AND STATISTICS

The statistics of wealth and income distribution proffered in support of the egalitarian case have two functions. First, they are some indication of the amount of inequality which exists and therefore of the extent to which someone already convinced of the desirability of equality would need to intervene politically to bring it about. If, for example, the true facts are that Britain is a relatively equal society and in the process of becoming more so without political intervention, then all but the most extreme egalitarians would probably agree that the disease did not warrant the discomfort of the remedy. Secondly, and more important for practical purposes, statistics of wealth and earnings are an appeal to the emotions by those whose case is particularly dependent on emotional rather than intellectual support. Not to put too fine a point on it, statistical demonstrations are an appeal to envy and an abuse of people's dissatisfactions and disappointments in support of a cause with which those dissatisfactions and disappointments have no logical connection.

The statement that A per cent of the population owns B per cent of the wealth or earns C per cent of the aggregate of personal incomes is a contribution to the debate which has become so familiar that it is impossible to avoid dealing with it, whatever one may think of its relevance. There are two questions which should be asked by everyone hearing such a statement. First, does it matter? Second, is it true? The first is a question of principle and the greater part of this book has

been devoted to answering it. Since we have reached the conclusion that (extremes apart) there is no objection of principle to any proportion of the population owning any proportion of the wealth, the precise calculation of the distribution of wealth in Britain would be a waste of time even if it were possible. Moreover, any conclusions which might be drawn from that calculation would be of purely ephemeral interest. Nobody pretends that the distribution of wealth and income is constant, whatever disputes there may be about the direction in which it is moving. The inflation of the 1970s, combined with discriminatory incomes policies and the fall of the stock market, probably worked a more rapid redistribution of wealth than any half-decade in our history can show. This is therefore a field in which statistical analysis is likely to be unrewarding as well as irrelevant.

Like the difference between the beer mug which is half-empty and the other which is half-full, the same statistics offer unlimited possibilities of 'ideological loading'. Their interpretation can be made to depend entirely on the interpreter's point of view as an analysis of the headlines which greeted the first Report of the Royal Commission on the Distribution of Income and Wealth sufficiently shows. 'The rich stay rich', declared the *Guardian*: 'Personal riches tending to be shared more equally', said the *Daily Telegraph*.

What Goes into the Cake?

The fact that ideological loading affects the compiling as well as the interpretation of these statistics is scarcely calculated to increase one's confidence in them. One can get out of statistics precisely what one puts into them and no more. What is put into the kind of statistics peddled in support of 'squeezing the rich' is very often little more than artificial

colouring and flavouring matter. There are, first of all, technical objections to them based on the unreliable sources whence they come. There has never been a general census of income and wealth in Britain. We do not actually know the value of the national cake. Nor do we have more than a very rough idea of the size of individual slices of it. Our knowledge of both these matters is derived for the most part from statistics issued by the Inland Revenue. Within their limits (and we shall come to their limits) the Inland Revenue's surveys of personal incomes are reasonably accurate. But the corresponding surveys of personal wealth based on probate valuation and death duty assessments are notoriously misleading. This is principally because people tend to accumulate more wealth as they grow older. Those who die tend to be older than those who don't and they naturally appear in the statistics to be richer. Statistics based on the holdings of people who have reached the end of their lives are necessarily based on a rather untypical sample of the population. They will always give the impression that wealth is more highly concentrated than in fact it is, and no one has yet discovered a generally acceptable method of adjusting the statistics to compensate for this factor. The method most commonly used involves classifying the estates valued for probate in accordance with the age of the deceased and assuming that in any one year persons dying in a given age-band will be a representative sample of those still living. But the sample of people dying, say, in their twenties is absurdly small. A single youthful millionaire could by accidentally walking over a cliff weight the sample so heavily as to render it quite useless. These difficulties, combined with the haphazard manner of most probate valuations and the exemption of small estates and certain types of property, ought to warn enthusiasts

against building too elaborate a theoretical edifice on the foundations supplied by the Inland Revenue. The Inland Revenue say as much themselves, but not many listen.

Quite apart from the technical problems associated with the available figures, there are formidable conceptual difficulties. A statistic is nothing more than the enumeration of the things comprised in a defined category, and it cannot be any more reliable than the definitions which go into it. What is 'wealth'? What is 'income'? What persons comprise the 'population' among whom their distribution should be measured? These questions are a great deal more difficult than they appear and the statistics cannot be more trustworthy than the answers to them. If substance is to be given to the misleadingly precise figures proffered by egalitarian economists, the answer 'I know a rich man when I see one' is not good enough. First of all, what is income? Plainly one must distinguish between pre-tax and post-tax income as most serious egalitarian economists but surprisingly few journalists do. The statement that the Chairman of ICI earns gross thirty times the national average wage is quite devoid of meaning. The value of his income is disproportionately reduced by discriminatory taxation which has been imposed for the express purpose of bringing him closer to the average. After tax, he is unlikely to take more than five times the earnings of the average workman. That is still a substantial multiple but it is less dramatically effective than a straight comparison of their pre-tax incomes. Even take-home earnings five times the average are so rare in Britain as to be statistically insignificant.

If by income one means only the amount of money that flows into one's pay packet, then Gilbert's aristocrat who banks at Coutts is clearly still considerably richer than the

aristocrat who cleans the boots. But if one includes benefits in kind, the position is rather different. Miners' concessionary coal, employees' discounts, company cars and generous expense accounts are all examples of benefits in kind which are in principle indistinguishable from income, given that the entire worth of income consists in the possibility of spending it on coal, motorcars, large lunches and the like. Those who compile statistics of incomes in support of the egalitarian case do generally include these benefits in their assessments because they think (probably wrongly) that they are benefits particularly liable to be conferred on high earners, being more easily disguised as tax-deductible expenses and more gently treated by the Inland Revenue. Indeed, such benefits are rightly included. But there is no reason why the inclusion of benefits in kind should stop with those benefits which are conferred on individuals by their employers. Far more substantial benefits of precisely the same kind are conferred by the State. Immense sums are paid out annually by the Department of Health and Social Security and its agencies in direct income subsidies in the way of retirement pensions, unemployment and sickness benefit, family allowances and supplementary benefits. Even larger sums are expended on providing benefits in kind, including free education and medical treatment. More than a third of the housing stock of the United Kingdom consists of homes let at substantially less than the market rate by Local Authorities. The difference between the actual rent and the market rent is the true measure of the extent to which a man is better off by living in a council house. If he were a director living in subsidised accommodation provided by his company, that difference would very properly be treated as part of his income (as indeed it usually is for tax purposes). It is equally proper to

treat that difference as part of the income of the council house tenant, although this is not usually done by those making a political point from the figures.

Precisely the same criticism can be made about the basis on which statistics are compiled to show changes in the distribution of wealth. Real property, durable consumer goods, shares in securities, life policies, and cash are obvious forms but by no means the only forms in which wealth is held. What has loosely been called 'human capital' is never treated as wealth but by any objective criteria it should be. Education, for example, is a form of investment which yields an income by increasing the remuneration which the better-educated man can command. Professor Atkinson himself has observed that a rich man can more effectively transmit wealth to his son by giving him an Eton education than by a straightforward transfer of tangible assets. What goes for Eton goes for the direct-grant grammar school or for the comprehensive school. The distorting effect which the omission of such wealth has on the statistics of distribution can best be demonstrated by considering those forms of wealth which are capable of being valued even though they are not in practice assessed. Occupational pension rights are the prime case. They have a capital value which can quite easily be computed on the basis of the capitalised worth of the income which they produce. There is no reason why State pensions should not be similarly treated. On the basis of figures compiled by the Estate Duty Office (themselves imperfect), 10 per cent of the population could be said to hold 72 per cent of the wealth in 1972. Yet the Royal Commission on the Distribution of Income and Wealth has estimated that that figure should be reduced to 67 per cent if one includes an estimate of wealth not declared to the Estate Duty Office. If one adds occupational pensions,

the proportion is reduced to 64 per cent and the addition of State pension rights brings it right down to 45 per cent.

Public assets and public expenditure are distributed either equally or else in favour of those who do badly in comparisons of private wealth holdings. Their inclusion makes a considerable difference to one's perception of inequality. Should they be included? They are indistinguishable from personal wealth except in two respects: that they are difficult to value and that they are not marketable. The first is clearly an irrelevance, although Professor Atkinson was not ashamed to admit that, although 'human capital' was capital, he had ignored it because it was 'not an aspect of wealth to which I can do justice in this book'. The difficulty of measuring wealth may be inconvenient for bureaucrats but scarcely justifies the presentation of statistics known to be misleading as authority for propositions which they do not support. The fact that these forms of wealth are not marketable is a point of greater substance and clearly in valuing them allowance would have to be made for the fact that they lack the flexibility of other forms of wealth holding. But the fact that their value is somewhat reduced by being non-transferable is scarcely an adequate reason for treating their value as nil. The basic principle in any computation of wealth is that anything conferring access to an amenity which otherwise would have to be bought is as much to be described as 'wealth' as the money which would be necessary to buy it. Money, after all, has no value except in relation to the amenity which it can buy. To include in one's assessment of wealth only the varieties of wealth which are held by certain kinds of people and then to announce that those people own all the wealth is an exercise in statistical chicanery which is performed by most of those who issue periodic proclamations about the concentration of

riches backed by apparently precise but actually artificial tables of figures.

There is another and more important reason why public assets and public expenditure should be included in any assessment of the distribution of income and wealth. Public expenditure and the acquisition of public assets are politically controversial. They are justified by their advocates principally on the grounds that they are a means of redistributing wealth and income. Indeed, they are the only practicable means of doing so. It is therefore right that the redistributive effect of public spending should be taken into account in considering what the distribution of wealth really is. The effect of past redistribution must be a relevant factor in considering the need of a future redistribution. It is wrong to treat the 'social wage' as part of the income of the poor for the purpose of justifying confiscation from the rich, but not for the purpose of measuring the results of that process. The same goes for so-called 'social capital'. Precisely what proportion of the 'national wealth' the top 10 per cent can be said to own will depend not only on how much they have but on how great the 'national wealth' is. It is customary to express the wealth owned by a particular class as proportions of the aggregate of all personal wealth. We have already argued that it is wholly unrealistic to exclude from the 'national wealth' the wealth of public institutions because this wealth (insofar as it is not spent on the servants of the State) is effectively enjoyed by the population as a whole including its poorest members.

In addition to the wealth which the population enjoys through public institutions, there are substantial assets which can best be described as 'derived wealth', that is to say, wealth which although nominally owned by one person is in fact enjoyed by others who have no legal title to it. An

obvious example of derived wealth is the wealth of wives and children in families in which all the family assets are in the husband's name. If a woman lives with her children in a substantial house owned by her husband and enjoys a high standard of living on his large income, it is clearly nonsense to speak of her as being destitute. Yet that is the conclusion to which one is driven if 'owned' wealth is the only wealth which one is interested in measuring. If every family consisted of a couple and two children and the assets and the income were the husband's, it would necessarily be true that 100 per cent of the wealth was owned by 25 per cent or less of the population, and this disproportion would arise not from any differences in standards of living but from the principles of measurement alone. This is so obviously absurd that some egalitarians have now begun to concede that figures compiled on that basis should now be taken with a pinch of salt.

There are, however, other forms of derived wealth which are indistinguishable in principle from the derived wealth of wives and children in that although not owned by a particular class of people they are in a real sense enjoyed by them. Thus in addition to the wealth which the public enjoys through public institutions, they enjoy a great deal of the national wealth through private institutions. There is also an anomalous but significant category of assets which, although applied to the public benefit is not strictly speaking owned by anyone at all. This should be counted when we ask ourselves what is the 'national cake' of which some people are said to have an inordinately large slice.

One example of wealth owned by private institutions but enjoyed by the public is the wealth of charities. A less obvious example is the property of companies whose net asset value exceeds its market capitalisation. Companies are abstractions.

They are owned by their shareholders. In theory the net value of a company's assets should be the same as the aggregate value of all its issued shares. In practice the value of its shares is determined by its income, by the market's view of its prospects and by alternative opportunities for profitable investment. For many years it has been quite normal for a company's saleable assets to be worth several times its market capitalisation, so that in almost every case it would be in the interest of shareholders to put the company into liquidation forthwith. The fact that they do not do so means that the excess of their asset value over the market capitalisation is in fact being applied for the benefit of its employees and customers. The amount of that excess is substantial. A study commissioned by a firm of stockbrokers in 1974 suggests that the difference between the asset and share value of all companies was then some £90,000 millions, or 23 per cent of the total assets of the United Kingdom. Today the proportion may be somewhat smaller.

There is a further category of wealth which is enjoyed by everyone but owned by no one at all. We have described this category as anomalous, but it is none the less important for that. It consists of the valuable benefits which some persons are compelled by law to confer on others either free or at well below their true worth. The limited security of employment conferred by the Employment Protection Act is an example: it is an entrenched right to an income compulsorily conferred by an employer on his existing employees regardless of fluctuations in the value of that employee's work. Rent control is another and perhaps more interesting example. Rent control forces the owner of property to confer a valuable benefit on his tenant at a fraction of its true price. The tenanted value of a house is considerably less than its vacant

possession value. In assessing the wealth owned by the landlord his property will be included at its actual, i.e. tenanted, value. In other words allowance will be made for the value of which the Rent Acts have deprived him. But the point which is often overlooked is that diminished value has not simply disappeared. The Rent Acts have in effect transferred it to the protected tenant. He has been given what is for all practical purposes the ownership of an interest in the house, namely the right to stay there at a low rent. Nobody can expel him although others would like to live there and would gladly offer the landlord more for it. The only differences between his position and that of the holder of a 99-year lease are first that he has not had to buy his interest in the land but has had it given to him by statute; and secondly that he cannot (in theory) sell it to somebody else. In computing the value of his wealth some allowance ought to be made for its non-transferability. But that it is wealth cannot be gainsaid.

These examples ought to be enough to demonstrate a fairly obvious truth; that the legal ownership of wealth is no guide at all to the enjoyment of it, and if we are in the business of equalising satisfactions it is the enjoyment not the ownership which matters. No precise calculation can be made of the distortion which is produced by treating legal ownership of wealth as synonymous with beneficial enjoyment. But some measure of it can be obtained from the admirable analysis by Messrs Polanyi and Wood (published in 1974)* of the Inland Revenue statistics of 1970 which were peddled in support of the proposition that the top 10 per cent of the population owned 70 per cent of the wealth. In order to believe this proposition it would have been necessary to believe that in 1970 anyone whose wealth exceeded £5,600 was in the top

* *How Much Inequality?* (Institute of Economic Affairs, 1974).

10 per cent, that the value of the contents of the average household including the family car was only £200, and that 24 million out of 41 million adults owned nothing whatsoever.

Comparing Like with Unlike

If accurate statistics were available, they would enable us with greater confidence than we have at the moment to make such statements as 'Tom has a higher income and more wealth than Harry'. But it would still be impossible to draw any conclusions from that statement unless Tom and Harry were comparable. Harry might be a bachelor while Tom was married with ten children. In more subtle ways than this Tom might be richer than Harry without there being any inequality between them in the accepted sense. Tom might, for example, be forty years older than Harry. If both of them had earned similar incomes throughout their working lives and had saved similar proportions of them, or if both had bought similar houses at similar prices at the same age on twenty-five year mortgages, Tom would have more wealth than Harry, but it would be meaningless to speak of them as being unequal unless the process of saving was as much to be condemned as the fact of inequality. On wet Sunday afternoons one can play many statistical games with such numerical 'facts'. Imagine the State of Egalitaria whose population includes a million adult males between fifteen and sixty-five. Exactly 20,000 Egalitarian males are born each year. Each of them begins to work at the age of fifteen and retires at the age of sixty-five when he promptly dies. Each of them starts with nothing and earns £3,000 a year regardless of age. Each of them saves £300 which he places interest-free in a State Savings Bank. Now in this statistician's paradise every sixty-five-year-old will have accumulated savings amounting

to £15,000. Every fifteen-year-old will have nothing. The top 10 per cent of adult earners would own 18.77 per cent of the wealth, but would this fact make Egalitaria unequal? If we go on and suppose that each Egalitarian had a non-working wife and two children, 10 per cent of the population would then own 44.48 per cent of the wealth. This is the smallest difference which can statistically exist even in an absolutely equal society.

If one introduces a few complexities into our ordered imaginary society, it will be seen that in practice an absolutely equal society will necessarily be characterised by even larger differences of wealth and incomes than this. People do not in fact save exactly the same proportion of their incomes each year. They save a greater proportion as they grow older, when their home is furnished and their children are off their hands. This will tend to increase the concentration of wealth in the hands of those approaching retirement. Secondly people do not earn the same amount each year of their working lives even in an absolutely equal society. Regional variations in prices and earnings may distort the picture and in countries such as England and Italy clearly do distort it. The prices of many things (e.g., property or part-time plumbers) will be related to the income available to purchase them in a particular geographical area, and it does not therefore follow that a lower income means a poorer man. If Harry in Wales has half the income of Tom in London but the same purchasing power, is it right to speak of them as unequal? In the view of statisticians it is.

To regional variations one must add variations in the pattern of individual careers. Two individuals may earn exactly the same aggregate amount in the course of their whole working lives, but their income may be unequally

distributed over their careers. The earnings of a professional man are likely to be concentrated in his middle years, with an initial period of training during which he will receive little or nothing. A twenty-five-year-old trainee doctor will earn less than a competent shorthand typist but a forty-five-year-old practitioner considerably more. Presumably even the most rigid egalitarian will concede his right to earn more in his middle age if he nevertheless receives no more than the next man over his lifetime. Yet the effect of making any comparative assessment of individual incomes at a given point of time would be to suggest inequalities which have no real existence. Depending on which point of time is chosen the doctor will seem relatively poor or relatively rich when in fact he is neither. More difficult still are the problems for statisticians created by persons such as authors who may earn next to nothing for years before taking a small fortune in one year from a single successful novel. Those who envy his well-publicised success are less likely to average his receipts in a single year over the many years in which his economic condition was unenviable. Is one to draw large conclusions about the structure of a society from figures weighted by elements as chancy as these? In the case of most self-employed people it is difficult to attach any meaning to the concept of income at all. Their work is directed to the slow accumulation of a capital asset in the form of their business. Their 'income' at any moment is merely that part of their capital which they feel able to consume. In truth the concept of making direct comparisons between individuals so as to arrive at a just entitlement is one which can have meaning only to an employed and salaried individual with an established career structure. It is not everyone's life.

It is not possible to decide how much inequality there is in

Britain, nor would any particularly useful conclusions follow even if it were possible. The distinguished socialist academic who in a series of radio lectures recently described British society as 'electric lightbulb shaped' uttered a more revealing and accurate description of it than any number of statistical formulations. All the political torment, all the frustration of expectations, all the official bullying and inquisitorial denunciations, all the bitterness attendant upon a major and ultimately fruitless assault on human nature, all this has been suggested and to some extent attempted in the cause of flattening out the topmost part of the lightbulb. Take a look at a lightbulb and see how small the change would be even if it did not merely cause the thing to shatter in pieces. The distribution of wealth has altered very radically since 1900. Although fiscal policies have made some contribution to this change, the process has come about very largely as the result of improved general standards of education and the declining value of specialised intellectual skills. When more is known about the economic history of our own decade, it is likely that the gradual equalisation of Britain will be shown to have accelerated sharply. Whatever one's views of the merits of the question one must, if blessed with a sense of proportion, wonder whether the upheaval is worth the minimal change which would result. When one has allowed for the redistributive effect of public expenditure and the differences attributable to age (to name only two distorting factors) the change appears minimal indeed. One is bound to conclude that those who bring out the tired old slogans about 10 per cent of the population earning 90 per cent of the wealth are really saying very little.

MORAL

It is not difficult to understand why men have been inspired by the idea of equality. Men are biologically much the same. Their physical needs and most basic wants differ very little. Their moral status as individuals does not depend on how rich or able they are. Is it not indeed 'self-evident' (as the authors of the American Declaration of Independence asserted) that all men are equal? Not similar, but equal? When one considers how much men have in common, are not the differences of their economic capacities apt to seem very trivial?

All this is true but it is beside the point. Men organise their own world. And when they make political decisions what matters is not how they seem to some objective intelligence surveying them from an Olympian height, but how they seem to themselves. No man can regard himself objectively. He cannot treat himself as the equal of every other man. He cannot put his own desires, which he experiences at first hand, after those of others which he observes at second or third hand. He cannot subordinate his own interests to those of others. If one allows for a handful of saints and ascetics, men have always put themselves first.

This will seem to many a deeply pessimistic view which takes no account of the idealism of which many men (not just a few spiritual heroes) are capable. But it is not. To say that men are self-interested is not to take a low view of their character, for there are many sources of satisfaction and

altruism is one of them. As Adam Smith observed (and he was a moralist before he was an economist) men are not motivated by personal enrichment alone, but amongst other things by a desire to be esteemed by others and indeed by themselves. Moral values are an element of human motivation: if they were not there would be no such thing as egalitarianism. Every man who sacrifices his own material interest for that of his family, friends or fellow-men, is doing so for his own interest, and the moral quality of his behaviour is none the less admirable for that. The fact that he should find it in his interest to put himself out for others is one of the finer points of human personality. Archbishop Temple said that 'the Christian conception of men as members in the family of God forbids the notion that freedom may be used for self-interest'*. This is quite simply wrong.

The case for equality advanced by worthy and thoughtful men such as Temple and Tawney is based on an untruth which is more insulting to mankind than the grossest accusation of materialism. That untruth is that men will always find it in their interest to be uncharitable to each other, so that self-interest must be stamped out if civilised behaviour is to be encouraged. Only if one accepts this plainly untenable proposition can one say that by recognising individualism one sets a premium on personal greed, or that ambition is incompatible with fraternity. So long as men care what others think of them they will continue to recognise a duty to concern themselves for the welfare of their fellows. In truth, personal enrichment and genuine altruism are not the differing products of incompatible economic principles. They are both products of man's most fundamental trait, his self-interest, and that trait will be found in any society which man

* *Christianity and the Social Order* (Penguin Special, 1942).

can devise. If man did not, driven by self-interest, care for himself and his family, then who would care for them? If others are to care for him while he cares for others what purpose will be served? Self-interest is indeed the first duty which a man owes to his community, so that he supports himself and does not depend on others.

The ideal of equality appears inspiring because it promises an escape from some of the more unpleasant features of modern (or any) society. These features—the impersonality and mannered coldness of modern life, the presence of industrial pollution and so forth—do exist and they are unpleasant. It is also true that they would probably not have come into being if men had never been concerned above all with their own material interest. But to suggest that by treating men as if they were not selfish one can somehow do away with the consequences which follow from the fact that they are, is surely absurd. Not only absurd but pointless. If it were true that men are as uncaring of their neighbour's interest and as unconcerned by their neighbour's opinion of them as Archbishop Temple implies, fraternity would be an unattainable ideal. It cannot be created by Act of Parliament.

The aspiration to equality may be elevated, but the reality of equality is grubby and unpleasant. In the name of an ideal which promises what it cannot give, it is necessary to embark on a continual process of mutual inspection and assessment, to give institutional form to every mean resentment, to require every man to justify those respects in which he is happier than his fellows. This is the principle on which equality is based and it is scarcely relevant to object that the practice will be different because the proponents of equality will apply their theories inconsistently and will make concessions to notions of private autonomy which

undermine everything that they stand for. How much do you earn? How much are you worth to society? Why do you have this? Why do you do that? Is this a proper use of society's resources? Does the use which you make of your time justify the pleasures which society permits you to enjoy? All these are relevant questions once one accepts that an individual owes his talents to the community in which he lives.

If the ideal of equality is based on romantic notions of fellowship, it is clear that any sense of human brotherhood must be destroyed by the reality of it. It is not simply that the mode of redistributing wealth which all egalitarian societies have adopted has involved bureaucracies and state monopolies more unpleasant than the capitalist institutions which they replaced. More fundamentally, a large measure of tolerance is indispensable to a close community, and egalitarianism is necessarily intolerant. The tolerance which a sense of community requires is not only tolerance of those things which one enjoys oneself, but of those which one's neighbour enjoys: tolerance not only of his religion, colour, taste in wallpaper and the like, but of his achievements economic and otherwise. One cannot found a tolerant society on the acceptance only of those things which all its members have in common or which particular individuals find tolerable. It is not wealth but envy which is 'divisive'.

Envy exists. But there is no reason to suppose that it would cease to exist if there were no economic differences. The number of things which it is possible to resent in others is unlimited. Even if one takes the perverse view that it is the business of governments to assuage all resentments merely *qua* resentments and irrespective of whether there is any substance to them, envy will be a feature of human society. Is it not the corollary of those same feelings of personal

ambition which egalitarians recognise and abhor? Unless the mere expression of an objection to something is enough to justify the abatement of it, there must be some better argument for redistribution of wealth than the mere existence of envious resentments. Somebody must be shown to benefit by it.

The question is therefore, what legitimate interest do we have in doing down our more successful neighbours? There is every reason to suppose that the poor benefit by the wealth of others. But even those who reject this view are hard put to it to discover any harm which inequality does to the poor. There are few things, as Dr Johnson once observed, in which a man may be more innocently employed than in making money. And there are few things which are so natural to him as the desire to make money. The construction of a great bureaucratic machine to the sole end of suppressing by law an ambition which is common to almost everyone and harmful to none would seem a truly extraordinary suggestion if it were not for the fact that honourable men solemnly propose it. That this systematic assault on human nature should be proposed in the name of brotherhood, and backed by a fierce intolerance of one of the few appetites that all men have in common is the most incongruous feature of a narrow creed.

It is not only the route to equality which is unpleasant but the destination. A society which had achieved a high degree of economic equality would be horrible to live in. It would probably be economically backward and would certainly be culturally stagnant. How could it be otherwise, when ambition, the motive power of innovators, is suppressed? One cannot provide collectively for innovation. One cannot plan administratively for things the possibility of which is unknown. We do not know what the demands of the future will

be because our horizons are necessarily limited by what is available now. No one could have foreseen, before they became available, that there would be a demand for paintings by Rembrandt, or for potatoes or television sets, all of which owed their unexpected arrival in Western societies to the initiative of individuals.

A society in which rewards were determined by ascertainable 'merit' would be one in which the worth of individuals was measured by their success in complying with existing values. Progress is born of the uncoordinated energies of countless individuals. It arises out of confusion, not out of homogeneity and social discipline. And unless one takes the view that the further progress of human civilisation is unnecessary and undesirable, one must allow individuals to construct their lives in defiance of some collective values. Nobody is suggesting that they should be allowed to do whatever they please. Plainly a society cannot continue to exist unless it enforces compliance with some values: the sanctity of human life, the protection of individuals against force and fraud, and all those other protective values which represent the common aspirations of almost all human societies. But as soon as the State steps beyond that narrow threshold and begins to lay down rules to determine the pleasures which a man may legitimately want, it condemns its subjects to a monochrome existence, dependent on the achievements of a freer past.

Few of those who favour equality would look forward to this result. But in measuring equality against liberty they either redefine liberty out of existence or take it for granted. It is only too easy to take it for granted, for although the number of societies since the beginning of recorded history which have been built on a respect for individual liberty is

absurdly small, there have been very few societies where a degree of personal freedom did not exist in practice. However heavily the tyranny of State bore on its victims, its victims were few in comparison with those who were out of its reach. Save in a wholly caste-ridden society, the administrative resources of the State have almost invariably in the past been inadequate for the task of enforcing on its subjects any pre-ordained pattern of social behaviour. Which is why that wise man, Dr Johnson, declared that he would not give half a guinea to live under one form of government rather than another. Whatever their pretensions in theory, public authorities have usually been restrained in practice by the two barriers to totalitarianism which have in the past proved more effective than any constitutional safeguards: lack of information and lack of physical strength. What is new in our present situation is that the State has for the first time the means of information and the physical force and material resources necessary to impose a considerable measure of control over social behaviour. This is the first century in which moral scruple has been the only guarantee of freedom. The history of its seventy-nine years does not suggest that it is a particularly reliable guarantee.

There is no greater tyranny possible than denying to individuals the disposal of their own talents. When this is done for no better reason than that the talents are resented by those who do not have, do not use or do not like them, the result is not only economically wasteful and morally indefensible, but destructive of the spirit of large tolerance on which any open society must be based. Even the resentments will not be made to disappear by the socially disruptive process of forever looking about for people who ought to be cut down to size. The resignation and apathetic silence of

others who treat this outcome as inevitable, is as misguided as the enthusiasm of those who actively desire it. Nothing is inevitable which may be avoided, and the erection of a tyranny which requires constant legislative intervention can be avoided by the simple expedient of failing to pass the necessary legislation. It is not some abstract spirit of the times which determines whether we shall live in an open society, or in a society where the aspirations of individuals are dictated by somebody's preconceived notion of what is proper. If we are supinely to submit to such a fate, the fault will be in ourselves, not in our stars.

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